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# **National Municipal Review**

Editorial Comment

# The Evil of Forgiving

THE quaint old American custom of forgiving and forgetting, the moment the votes are counted, all the deceit and outright fraud of political campaigns is an insidious thing which tends to produce a cynical people.

Symptoms of the affliction which festers on our democratic system are such typical statements as these:

"You can never believe anything a politician says. . . . It makes no difference how I vote or whether I vote, one politician or another still gets what he's after. . . . Politics is just rotten; I want no son of mine going into it."

Our judgment seems clearer when we consider the far off mountain of international affairs than it does when we are contemplating the dangerous evils in our own backyards. We assure ourselves today that we must stand firm against any postwar forgiveness of the current and past wrongdoing of the nations with which we are at war. Yet we seldom call our own corrupt politicians to book. Certainly the methods are similar.

Sufficient time has elapsed to permit a calm examination of the objectionable features of some of last fall's campaigns.

In New Jersey, in at least one New York community and elsewhere, public money was openly spent for advertising and other campaign expenses. In many, many places people on the public payroll spent much of their time campaigning for political parties or causes. During the campaign these actions were attacked as constituting the misuse of public funds. Were they? If so, should the culprits not be punished and forced to repay? Will not "forgiveness" now prompt them and others to use public money in the future?

Then there are the numerous instances of deliberate falsehood. In Montgomery County, Maryland, for example, a home rule charter was narrowly defeated. Few charters have had the benefit of as much attention by outstanding authorities. Not only was it drafted by persons of recognized competence but experts throughout the country were consult-In addition to criticisms too ridiculous to mention, its opponents charged that the charter would provide a dictatorship which, once approved, could never be unseated, that the council-manager plan is an untried experiment, that it always increases taxes. Advocates of the charter argued that the charter would tend to insure decent, honest, efficient, non-political, democratic government and that a generation of experience proves the manager plan sound and preferred. One set of claims must be false. Which?

These are only a few typical examples. Everyone knows there are many others. But if the side which uses lies and misuses public funds loses, it is pitied and forgiven. If it wins, it is seldom that anyone dares to attempt to punish it.

Just what is it about the "game" of politics which causes apparently

honest, high-minded people to take the "anything goes" attitude?

To create conditions which will make it possible for people to vote their intelligent convictions and to encourage our ablest people to be willing instead of ashamed to participate in public affairs, we must expose, condemn and thus prevent these orgies of falsehood and fraud.

Unless we do, we will have more self-delusion than self-government.

#### a Name? What's in

GROUP of district leaders in New York recently revolted against the current leadership of Tammany Hall and sent a telegram to Washington in which they announced they would establish a new organization "to which decent citizens may turn in place of Tammany Hall, which has fallen into public disrepute and opprobrium." The telegram asked the national administration not to appoint to federal office any persons recommended by Tammany leaders.

People residing elsewhere will be a

bit puzzled that the revolting leaders are discovering only now that Tammany has fallen into disrepute. Not always with complete justice. Tammany has been synonymous with rotten politics for many, many years. And it will hit "the Hall" where it hurts most if it is cut off from federal patronage.

Whether or not the present leadership of the organization is as culpable as the rebels allege, perhaps this is one more indication that spoils politics continues to decline, however slowly and painfully.

# **Bold Action on a Tough Problem**

THOSE who timidly nibble around the edges of our so-called metropolitan areas problem will be stirred by the boldness with which Britain is tackling it.

The power of local authorities, provided in the new Town and Country Planning Act,1 to purchase considerable areas and to retain them in public ownership apparently indefinitely, is red meat indeed compared with the gentle method proposed by the comptroller of New York<sup>2</sup> of assembling property in a

blighted area, re-platting, then auctioning it to private developers.

Inability to assemble land in the blighted core areas of large cities in sufficiently large quantities to permit rearrangement of streets is one of the major handicaps to the restoration of neighborhoods which have been largely abandoned. Many ambitious programs have fallen because a few greedy owners have attempted to hold up private developers for high prices. Until this barrier can be overcome, housing projects will continue to be built on the outskirts instead of where they are more acutely needed and where they will eliminate slums by replacing them.

<sup>&</sup>quot;See "All-Out Planning for Britain," by F. J. Osborn, p. 60, this issue.
"See "Can We Rebuild Our Cities?" by Joseph D. McGoldrick, the Review, January 1945, p. 5.

# All-out Planning for Britain

New act gives local governments broadest control over devastated areas and others which need comprehensive treatment; may buy land and lease for 99-year terms.

By F. J. OSBORN, Honorary Secretary Town and Country Planning Association

RITAIN is, relative to its size and population, the most highly urbanized country in the world. More than four-fifths of its people live in towns, and even of the remaining fifth more than half are dependent on non-agricultural pursuits, the farm population answering for only about 8 per cent of the total. Of those who live in the towns half are concentrated in the seven largest cities, or city clusters, the greatest of which, London, had 8,750,000 people in its continuously-built-up area.

This high degree of concentration in vast agglomerations is somewhat masked to foreign observers by the listing of municipalities and their populations in reference books. For example, the boroughs of Croydon, East Ham, West Ham, Ilford, Leyton, Tottenham, Walthamstow and Willesden, which have populations between 120,000 and 250,000 each, are integral parts of the solidly built-up area of London, and great numbers of their residents travel daily into the center of the metropolis to work. All the other great agglomerations similarly include a number of towns, each formerly a separate center and still with its own governmental identity, yet now structurally merged in the greater mass of buildings and population.

The overconcentrated grouping of Britain's population has long been a source of doubt and anxiety in many minds. In all large towns there is a serious problem of overcrowding at the center, dating from the close building of houses in the eighteenth and early nineteenth centuries and accentuated later by the expansion of central industries and commercial businesses and the growth of city populations.

If you walk through the center of any city in Britain, especially London, you will be struck by the relatively recent construction of many of the business buildings and factories and the age and dilapidation of the residential sections. The modern buildings are almost invariably higher and bulkier than the older ones. Their floor-space is greater and they employ more people. But the dwellings-in the main small and packed together-have not been replaced to anything like the same extent. Many of them-probably the majority-have been subdivided and are occupied by several families. Large districts are squalid and depressing though the homes are as a rule well kept and "slums," in the

Completely abandoned or derelict areas are rare in Britain's cities. There has been for many years a considerable movement of individual families to the suburbs. But at the same time there has been an in-

full sense, are a small proportion of

the whole.

crease of total population and an encroachment of industrial and business premises on residential areas, so that the pressure on housing accommodation has not been relieved. The statistical decline in the populations of central wards is due partly to the reduction of the area available there for dwellings and partly to the decline in the size of the average familv. In the last half century the outward residential movement to the suburbs has been accelerating, and there has also been some outward movement of factory industry. But so far this has been more than balanced by the extension of industries remaining in the centers and a very great growth of commercial and office businesses. While, therefore, the large cities have expanded outwards, central employment has increased and the overcrowding of central housing districts has persisted.

At the same time traffic movement within the cities has multiplied many times, a burdensome feature of it being the daily in-and-out movement of the employed population between the enlarged employment center and the ever-spreading suburbs. In London street congestion and railway overloading had reached a critical point some years before the war. The general space shortage is further reflected in very high central land values and a grave insufficiency of land for recreation and parks.

Town planning began in Britain with the Housing, Town Planning Act of 1909. This gave local authorities power to regulate new developments, employing the familiar machinery of use and density zoning and the prescription of street lines.

The act was permissive; local authorities could adopt it or not as they chose; and many did not operate under it. It was essentially a law for improving the character of suburban expansion.

In 1932 the powers were extended to built-up areas, but they were still permissive and still essentially local in initiative, though all schemes had to be centrally approved. The majority of local authorities started planning schemes but up to the war they were completed only for less than 5 per cent of the country.

#### **Barlow Commission Reports**

Thought on the whole question of urban development has been transformed in the last five years. In 1940 the Barlow Royal Commission, after a two-year inquiry, reported in favor of national town and country planning, the limitation of the further growth of large cities. and their progressive redevelopment on a more open pattern coupled with the dispersal of their excess population to smaller towns. This involved some national control over the future location of industry, since people go to live in places where they can find work. The Commission therefore proposed the setting up of a central planning authority, the restriction of the settlement of new industries in large agglomerations beginning with Greater London, and the promotion of industrial settlement in country towns, new garden cities and organized factory estates.

The German air-raids of 1940 and 1941 destroyed and damaged extensive areas in London and other cities, and the ensuing views and discussions on their reconstruction made the urban public highly conscious of the possibilities of thoroughgoing replanning. The colossal uprooting and movement due to evacuations to safer places, war shifts in industry, the bombing of houses and factories, and the military call-up, made people receptive to the idea of big changes.

The Barlow theses took hold. The Scott Committee on the rural aspects of a dispersal policy and the Uthwatt Committee on the problems of land value involved were appointed and duly reported. In 1943 Britain's new Ministry of Town and Country Planning was created and, in the course of a nation-wide controversy (which included much pamphleteering, endless conferences and many debates in both houses of Parliament) the government accepted in principle the proposals of the Barlow report, some of those of the Uthwatt report, and promised legislation to provide the necessary powers.

#### Compulsory Planning Powers

The Town and Country Planning Act 1944 is the first installment of Britain's New Planning. Alreadyin an act of 1943-planning had been made compulsory in all areas, and the whole of the land of the country brought under development control. The act of 1944 gave local planning authorities powers to buy compulsorily: (a) areas of extensive war damage where they can satisfy the Minister that they should be redeveloped as a whole; and (b) areas of bad layout and obsolete development requiring similar comprehensive treatment. They can (subject always to ministerial consent) at the same time buy land within or outside their own boundaries to provide for the "overspill" of war-damaged or obsolete areas. Provision is made also, if the matter is better handled in this way, for another authority, even a town at some distance, to acquire land for the "overspill" and for agreements between authorities for dealing with housing and other developments for the displaced population.

The accent of the act is on relocation of population and industry in communities, providing not merely housing and business premises but facilities for "recreation, worship and amenity and other requirements."

The same accent is prominent in the provisional planning schemes recently prepared for individual cities and regions-notably those of Professor Abercrombie for Greater London and Plymouth, and of the authorities of Manchester, Leeds and Portsmouth. The trend of opinion is all against continued suburban expansion and all in favor of the movement of excess industry and people to satellite towns-"garden cities" in the correct sense-centers of work as well as residence, isolated from the larger cities by wide and carefully safeguarded country belts.

Under the new act an authority will acquire the whole of the land and buildings of the designated area at 1939 prices—with some adjustment for the change in money value in the case only of owner-occupiers. The government will bear the interest cost on war-damaged areas for a period of two to fifteen years. The local authority may make a new street plan, introducing such open space as is necessary, and regrant

the rearranged plots on 99-year leases to private enterprise builders and traders.

All transactions are subject to the consent of the Ministry of Planning; but the Minister cannot consent to any outright sale of land unless there are exceptional circumstances. On the other hand, he cannot allow the local authority to provide the buildings themselves, for letting, as distinct from granting building franchises, unless private enterprise fails to function (with the important exception that he can consent to their providing buildings if he thinks that necessary to enable them to recover their expenditure on development). The same rules apply to the "overspill" developments. This is an interesting sidelight on the present balance of opinion in Britain on the spheres of public and private enterprise.

Technicians will be interested in the expedited procedure provided in the act for compulsory purchase of land. But with these and many other details of this very complex measure I have not space to deal.

The act throws an important and

difficult new task on the nation's local authorities which many of them are tackling with energy. There is a general determination to seize this opportunity to begin the elimination of the handicap of congestion and substandard building and of the disorderly sprawl of suburbs over the precious agricultural and green-belt areas of the cities. It is realized that it is a long-term job and that many problems remain.

#### Problems Involved

Prominent among these problems are those of the control of the location of industry on which early legislation has been promised, of compensation for land devalued planning restrictions, and the collection of "betterment" on land enhanced in value by planning or by population movements. The Uthwatt report and the Government White Paper on this thorny subject, "Control of Land Use," are matters of controversy-but there is agreement on the major point, that a national system of compensation and betterment collection is indispensable if Britain's new planning implied in the act of 1944 is to be made a reality.

Correction.—The following changes should be made in the 1943 tax rate for Houston, Texas, as listed in the Review for December 1943, p. 591, No. 21: City rate \$19.75 instead of \$22. City rate consists of \$19.50 for city purposes and \$.25 for library. Total rate for all

purposes is \$43.55, adjusted rate, \$20.51. Assessment ratio for city and school purposes is 50%, for county and state purposes 40%. The 47% assessment ratio shown in the tabulation is the weighted average for all purposes.

# The Tax Limitation Delusion

Legislatures of seventeen states, quietly and with little public discussion or awareness of dangers, adopt resolutions for 25% constitutional limit on income, inheritance taxes.

By H. M. OLMSTED

New York State Public Service Commission

AMENDMENT of the United States constitution is a difficult process, especially where the state governments are opposed. Correction of special advantages held by the small states and by sectional groups seems hopeless at times. But the state legislatures themselves, when urged to do something that has earmarks of popularity without obvious elements of danger to the states, can be a fertile field for initiating amendments, good or bad, which may stand a chance of ultimate adoption.

Nevertheless, it is almost incredible that in seventeen American states, at a time when the nation's debt for relief and recovery, for military preparation and for war itself was growing huge, one or both legislative houses have been persuaded to pass solemn resolutions calling for an amendment to the federal constitution that would place a 25 per cent limit on federal income and inheritance tax rates.

Not since 1930 have the current receipts of the government of the United States equaled its expenditures. In much of the subsequent period less than half of federal financial needs was met by taxation. At the start of this year the gross national debt was over \$230,000,000,000, a figure that was fantastic a few years ago.

Despite these facts the following

states adopted the measure in the last five years: 1939, Wyoming; 1940, Mississippi and Rhode Island; 1941, Maine, Massachusetts and Michigan; 1943, Alabama, Delaware. Illinois, Indiana, Iowa, Kentucky and Wisconsin; 1944, New Jersey. 1 Kentucky later rescinded its action: but the legislatures of Arkansas and Pennsylvania are reported as having passed such a resolution, which, however, required the assent of the governor in those states-in Arkansas it was not submitted to the governor and in Pennsylvania it was vetoed. The upper house in Virginia passed such a resolution but the lower house did not. Similar resolutions are reported to have been proposed and rejected in Colorado, Missouri, New York, Ohio and Texas.

The proponents of the movement aim at having 32 states—two-thirds of the total—pass a resolution petitioning Congress to call a convention for proposing amendments, as provided by the constitution; and they hope their amendment will be proposed by such a convention and then ratified by three-fourths of the states

<sup>&</sup>lt;sup>1</sup>Sources: Division of Tax Research, United States Treasury Department, "Proposed Constitutional Amendment to Prohibit Federal Tax Rates Exceeding 25 Per Cent," May 31, 1944; Postwar California, Bureau of Public Administration, University of California, Vol. 1, No. 5, July 1944.

(preferably by legislatures rather than state conventions) and thus become part of the constitution.

Little publicity has accompanied the passage of these resolutions or the activities that led to them. It was hardly a spontaneous movement, however, and plenty of quiet, effective work must have been done before adoption was secured in the states listed. The American Taxpayers Association, Washington, D. C., claims to have originated the proposal in 1938. Its vice-president and secretary, D. E. Casey, says his association is composed of business men of small or moderate affairs.<sup>2</sup>

Another agency largely if not chiefly involved in promoting the amendment is the Committee for Constitutional Government, organized in 1937 by Frank Gannett, publisher of newspapers in Rochester (New York) and elsewhere, aided by Edward A. Rumely, who has been secretary of the committee since that time. Its backing otherwise is not generally known; Mr. Rumely, late in 1944, refused to produce records of contributions before the special committee of the House of Representatives investigating campaign expenditures.

This committee has distributed a model resolution similar to the resolutions adopted in the various states. The committee has also issued a "Brief in Support of Proposed Constitutional Amendment," by Robert

E. Dresser, who has also written several articles in support of the proposition.

The proposed amendment as set forth by the various legislatures begins with a clause repealing the sixteenth Amendment-the income tax amendment proposed in 1909 and finally ratified in 1913; a second clause reinstates the language of that amendment with the added words: "Provided that in no case shall the maximum rate of tax exceed 25 per centum"; a third clause requires that inheritance and gift taxes levied by Congress shall not exceed 25 per cent. In most of the resolutions, but not in all, there is a provision that in time of actual war Congress may increase the limit for one-year periods by three-fourths vote of both houses.

#### Income Tax Yields

In the pre-war year ended June 30, 1941, federal income taxes brought in \$3,471,000,000 and were 50.9 per cent of all federal tax collections (exclusive of payroll taxes), according to Tax Institute publications. In the year ended June 30, 1944, they were \$33,027,000,000 or 85.1 per cent. This figure was made up of \$18,261,000,000 for individual income taxes, \$5,284,000,000 for corporation income taxes (ordinary), \$9,345,000,000 for excess profits taxes and \$137,000,000 for miscellaneous profits taxes.

In 1941, when the income tax of \$3,471,000,000 was half of the total (and the individual income tax was exceeded by corporation income taxes) the individual rate, normal and surtax combined, started with 10 per cent and rose to 81 per cent on

<sup>\*&</sup>quot;Merits of Tax Limitation," by D. E. Casey, in Forum Pamphlet 3, Should There Be a Constitutional Amendment Limiting Federal Income, Estate and Gift Taxes? December 1944, Tax Institute, Inc., New York.

amounts in excess of \$5,000,000. The rate passed 25 per cent at \$10,000. The corporation rate on large corporations, not including excess profits tax, was 31 per cent.

At present the individual rate starts at 23 per cent and rises to 94 per cent on amounts in excess of \$200,000. It passes 25 per cent at \$4,000. The ordinary income tax on large corporations is 40 per cent.

Although present rates are much heavier than those of 1941, the schedule in that year is hardly to be considered low; yet it produced less than \$3,500,000,000. This would not even pay the interest (now over \$4,000,000,000,000, with the likelihood of rising to \$5,000,000,000 or more) on the present national debt.

The amendment as proposed is not clear as to the meaning and application of the 25 per cent limit. Presumably the tax on *net* income is contemplated; and presumably the rate for the highest bracket shall not exceed 25 per cent, even though the average rate for the total tax of an individual affected by such a bracket would be less than 25 per cent.

#### Estimated Returns

The Division of Tax Research, United States Treasury, estimates that if the individual income bracket rates now higher than 25 per cent were to be reduced to 25 per cent, the regular corporation rate cut to 25 per cent and estate taxes likewise held to a maximum of 25 per cent, these cuts would involve annual revenue losses in the neighborhood of \$6,000,000,000,000, assuming a national income of about \$125,000,000,000,000 at 1943 prices. The present tax system,

except for the excess profits tax and allowing for automatic postwar reductions in excise taxes, is estimated to yield about \$25,000,000,000 on such a total income. A loss of \$6,000,000,000 would reduce this to \$19,000,000,000.

But the loss would hardly stop at \$6,000,000,000 (assuming the \$125,-000,000,000 income level). Placing the maximum rate at 25 per cent would leave an individual income tax structure with little progression. Possibly the real proponents of the amendment are willing that this be so, or that a level rate should apply to all incomes, but the vast majority would doubtless think otherwise. The principle of progression in income taxation is too firmly established for one to believe that the people and the Congress would tax an income of \$2,000 at as high a rate as that for \$200,000. An irresistible demand for a downward scale could be expected, and more billions would easily be lost from the revenue total.

Various other estimates<sup>3</sup> of postwar federal tax totals, with reduced income taxes but no 25 per cent limit, are much lower than the Treasury figure of \$25,000,000,000 computed as stated above. The Committee for Economic Development estimates from \$17,100,000,000 to \$19,500,000,000, using various basic income tax rates (and \$140,000,000,000 income). Beardsley Ruml and Hans Christian Sonne say \$18,000,000,000; so do the authors of the so-called Twin Cities plan. If a ceiling of 25 per cent were placed on individual and

<sup>&</sup>lt;sup>a</sup>Tax Policy, October 1944, Tax Institute, Inc., New York.

corporate income taxes, these estimates would fall very substantially. And, without such reduction, the revenue estimates are little if any higher than corresponding estimates of postwar federal expenditures exclusive of debt retirement.

Postwar national income, yields of various possible taxes, basic governmental requirements and legitimate demands for future military and naval establishments, veterans, public works and social services, are all speculative in varying degree. The utmost flexibility is needed; but the advocates of income tax limitation would place the nation in a strait-jacket, would make debt reduction virtually impossible, tend to perpetuate deficit financing, endanger national credit and encourage inflation.

#### Probable Results

Some economies would, of course, be possible; but the major elements in the picture are either fixed needs, such as interest, or matters of grave public policy, such as potential defense, veterans' aid, foreign relief, public works, education, health, etc. The orthodox civil establishment has a minor part in the cast. The amendment advocates either fail to see the picture, or they oppose all expenditures above the barest minimum and wish to shackle those who believe in government as an instrument of social and economic welfare.

Revenue would still be sought and, as the limitation sponsors doubtless foresee, the tax burden would shift from the higher to the lower income groups, at least relatively, and very possibly the absolute tax burden on the latter group would increase. Even

if taxes on the lower incomes were also to be diminished somewhat (and not raised to an even 25 per cent—another possibility), the loss in revenue to the government would compel it in the direction of consumption taxes—general sales taxes and heavier special excises—and these, except some luxury taxes, bear most heavily on small incomes.

#### Effect on the States

How would the finances of the states themselves fare if the proposed amendment were actually adopted? The states are told by its advocates that it would "restore state sovereignty" and free the states from "federal domination." Presumably the theory is that if the federal government is starved financially it will have to leave many of its present accepted functions to the states-and that the states can and will perform them. Some of the rich and powerful states can, and doubtless would, to some extent. But the poorer states could not do so: their people would lose what privileges they have under federal services and grants-in-aid.

Either grants-in-aid would cease, or the federal government would compete with the states for the tax dollars, or both would result. But what sources of revenue do the states wish to share? In 1943 the gasoline tax provided the most revenue to the states, although shrinking because of restrictions on driving. The federal gas tax totaled \$332,000,000 as against \$760,000,000 for the states. Would the states like a higher federal perportise? General sales and use taxes produced Soci-200,000 for the states. The federal government

has not used this source but it is constantly being urged to do so. Liquor and tobacco taxes are now largely federal, but together they vielded the states \$479,000,000. Should Washington take all of these that the traffic will bear? Motor vehicle taxes vielded the states \$385,-000,000 and the federals only \$45,-000,000. Perhaps Washington could evolve ideas for a greater take. Some persons even fear that the domain of the property tax, chief reliance of local government, could be poached upon by Uncle Sam should he so desire.

Of course, if federal income taxes are drastically limited, states can increase their use of that field. At present there are 33 states with some form of income tax, but only seven obtain more than 20 per cent of their total tax revenue from it. Nearly one-third of all state income taxes comes from New York. If so few states make large use of it, although its value has been proven, can we expect that the states will generally turn to it to supply services which the federal government might cease? The amendment backers might not like it if they did; more sales taxes would suit them better. But whether income taxes or sales taxes gained ascendency, a confused welter of state taxes could be expected; and tax competition between states would be superimposed on the intrastate conflicts between groups of different wealth and income.

A further danger to the states would follow from danger to federal credit; for it is not likely that state credit would remain high if lenders began to doubt the ability of the central government to service its debt.

But, rather than the state-federal issue, the fundamental point in the propaganda for the amendment appears as the doctrine that high taxes on high incomes and inheritances destroy private initiative and dry up the sources of risk capital. Those who urge the amendment are unwilling to let Congress determine the extent to which this doctrine should be reflected in tax policy-or to what extent it should be affected by the philosophy that less inequality and a wider distribution of purchasing power are essential to national welfare, especially under a mass-production economy. Instead of leaving the decision of these questions to the elected representatives of the people, they propose to freeze an arbitrary figure into the constitution, by a roundabout method, playing on stateheld fears of federal power.

### Tax Opposed

The nationally known tax economist, Harold M. Groves, states with regard to progressive taxes: "This type of taxation is now accepted in nearly all, if not all, of the well developed nations. Undoubtedly it needs to be used wisely and with some restraint. But to seek a storm cellar for any group of taxpayers by constitutional amendment is an attempt to turn back the clock about a century."

If the amendment were ever adopted, can one believe that there

(Continued on page 78)

<sup>&</sup>quot;Fallacies of Constitutional Tax Limitation," in Forum Pamphlet 3, supra.

# Alabama State Reorganization

Recent legislative acts indicate backward step from hopeful beginning of Governor Dixon's leadership; much still needed for simplification of the state's administrative machinery.

By LANE W. LANCASTER
University of Nebraska

INTEREST in the improvement of state administration in Alabama goes back to the early years of the movement for state reorganization. The first step in the direction of the more efficient conduct of state business was taken in 1919 with the creation of a Budget Commission and a Board of Economy and Control, the latter having supervision over state institutions and control over general purchasing.

In 1931 Governor B. M. Miller, faced with a large deficit, persuaded the legislature to authorize a survey of state and county administration. This survey, conducted by the Institute for Government Research of the Brookings Institution, was extremely critical of the irrational administrative structure of the state and recommended drastic changes in the direction of greater integration.

Specifically it recommended the consolidation of the 92 state departments and agencies into nineteen, all to be under the direction of the governor except the auditor, who was to be chosen by the legislature. Other recommendations included abolishment of a large number of ex officio boards and establishment of a unicameral legislature.

unicameral legislature.

Tearly Alabama experience is summarized in The Reorganization of State Governments in the United States by A. E. Buck, National Municipal League, 1938, pp. 45-47.

Since the recommendations of the Brookings report would have required extensive constitutional as well as statutory changes, it is not surprising that it produced no immediate results. Much more influential was the deficit of \$17,000,000 which existed when Governor Miller took office in 1931. Upon his recommendation the legislature in special session in 1932 took the first step toward a more businesslike management of finances by passing the Budget and Financial Control Act. This provided for an executive budget to be prepared by a comptroller named by the governor, for a preaudit by the comptroller and for gubernatorial allotment of appropriations to prevent overspending.

The Brookings investigation actually became, however, the basis for the partial reorganization which was carried out in 1939. Frank M. Dixon, the unsuccessful candidate for governor in 1934, had familiarized himself with its recommendations and these were the foundation for his program of administrative changes when he was elected to office four years later. At the date of his inauguration the evils pointed out by the Brookings report had increased. The 92 organizational units had grown to about 120 and "the shortcomings of this machine, in organization, in delegation of duties, in definition of responsibilities, in the inter-relationships of its various units, were those described in any college textbook on American government."<sup>2</sup>

### Recent Accomplishments

Though in theory and in his sympathies Governor Dixon was an "integrationist," he was aware of the practical political difficulties in the way of thoroughgoing reorganization and for this reason his recommendations were confined to changes which he felt were feasible. For example, he did not propose to disturb any of the elective administrative officers and his plan left unchanged certain areas of the state administration where the proposal of changes might arouse such protests as to endanger his principal program. For these reasons the statutes providing for reorganization may be conveniently summarized under these five heads:

1. Finance. One of the earliest acts of the Dixon administration was that providing for a unified Department of Finance.<sup>3</sup> This department is headed by a director appointed by the governor and serving at his pleasure, and contains six divisions—Control and Accounts, Budget, Purchase and Stores, Examiners of Accounts, Service and Local Finance.<sup>4</sup> Incidental to the adoption of the unified financial control system, the duties of the elective state auditor were re-

stricted to the post-auditing of expenditures, and the treasurer remained as the receiver and custodian of state moneys, paying them out on warrants drawn by the comptroller as head of the department's Division of Control and Accounts.

Coincidental with the passage of the act creating the Department of Finance, the Budget and Financial Control Act of 1932 was amended to provide for a biennial rather than a quadrennial budget, and to improve the form of the budget. At the same time the State Tax Commission was abolished and in its place a Department of Revenue was created with the major function of tax collection. Its director is appointed by and serves at the pleasure of the governor.

#### **New Labor Department**

2. Labor. Prior to 1939 the state's functions with respect to labor were parcelled out among half a dozen agencies, including a Department of the Employment Service (nominally a division of the Department though actually independent), the Unemployment Compensation Commission, the Office of Mine Inspector, the Board of Mediation and Arbitration and the Office of Workmen's Compensation Commissioner. All of these agencies were abolished and their functions taken over by a Department of Industrial Relations organized in appropriate divisions.<sup>5</sup>

3. Conservation. Before the reforms of 1939 the state's responsibilities in the field of conservation were divided among the Department of

<sup>2&</sup>quot;Alabama's Administrative Reorganization of 1939," by Roscoe C. Martin. Journal of Politics, November 1940, p. 441.

No. 112 Alabama Lagus 1939.

<sup>\*</sup>No. 112, Alabama Laws, 1939.

\*The Division of Service provides a central mailing system, a messenger and telephone service and a clerical and stenographic pool, manages the state's capital properties in Montgomery, and maintains an inventory of all movable property.

<sup>&</sup>lt;sup>5</sup>No. 161, Albama Laws, 1939.

Conservation of Game, Fish and Seafoods, the Conservation Board, the Oyster Commission, the Forestry Commission and the Department of Forestry. These agencies were all abolished and in their place was erected a consolidated Department of Conservation with Divisions of Game. Fish and Seafoods: Forestry: and State Parks, Monuments and Historical Sites. The new department is headed by a director serving at the pleasure of the governor.6 There is an advisory Board of Conservation partly ex officio and partly appointed by the governor.

- 4. Commerce. The principal state agencies engaged in the supervision of private financial enterprises were the Bureau of Insurance and the Departments of Banking and Building and Loan Associations, each of the last two having a separate board attached to it. The legislation of 1939 created a Department of Commerce, under a director named by the governor, with appropriate subordinate agencies for the supervision of banking, insurance and building and loan associations.<sup>7</sup>
- 5. Miscellaneous and incidental changes. Chief among these was an act creating a Department of Personnel and introducing the merit system

#### Commissions Abolished

The Highway Commission was abolished by another act and a director named by the governor placed at the head of a new Highway Department.<sup>9</sup> The Docks Commission was abolished and replaced by a Department of Docks and Terminals also under a director appointed by the governor.<sup>10</sup>

A new Department of Corrections and Institutions was created to manage the prisons of the state and to it were transferred functions formerly vested in the State Board of Administration, which was abolished, as well as those exercised by the former State Prison Inspector. <sup>11</sup> By an amendment to the state constitution recommended by Governor Dixon, the constitutional Board of Pardons, consisting of the attorney general, the secretary of state and the audi-

for the selection of state employees. The Department is headed by a personnel board of three members appointed by the governor for overlapping six-year terms with confirmation by the Senate. The administrative head is a director named by the Personnel Board. Substantially all state employees are chosen under the merit system.<sup>8</sup>

<sup>&</sup>lt;sup>e</sup>No. 162, Alabama Laws, 1939. The ex officio members of the board are the governor, the commissioner of agriculture and industries and the director of the Agricultural Extension Service of the Alabama Polytechnic Institute; eight other members are chosen by the governor "with reference to their training and experience along one or more lines of activity vested in the Department of Conservation."

No. 14, Alabama Laws, 1939.

<sup>&</sup>lt;sup>8</sup>No. 58, Alabama Laws, 1939. An analysis of this act may be found in "Alabama's New Merit System Act," by Roscoe C. Martin. Good Government, MarchApril 1939.

No. 13, Alabama Laws, 1939.

<sup>&</sup>lt;sup>10</sup>No. 12, Alabama Laws, 1939. The Department also has an advisory board consisting of the governor and director ex officio and three citizen members named by the governor for six-year terms and paid a per diem of fifteen dollars.

<sup>&</sup>lt;sup>11</sup>No. 91, Alabama Laws, 1939.

tor, was abolished and the legislature was given authority, which it immediately exercised, to create a paid Board of Pardons and Paroles of three members named by the governor and senate for six-year overlapping terms with power to grant pardons except in capital cases and to administer a modern parole and probation system enacted at the same time. The power to grant reprieves and commutation of sentences to persons condemned to death was left with the governor.<sup>12</sup>

Finally a non-administrative reform effected by the influence of the governor was the provision by constitutional amendment for biennial instead of quadrennial sessions of the legislature, beginning in 1943.<sup>13</sup>

It is clear from this account that the changes made in 1939 amounted to only a modest installment of reform though they did affect important functions. But the following executive and administrative offices remained with powers and functions very largely unchanged: attorneygeneral, secretary of state, treasurer, superintendent of education, commissioner of agriculture and industries and the Public Service Commission. Boards were in charge of public health, public welfare, alcoholic beverage control, state planning, civilian defense and archives and history—though in some cases the evils commonly associated with board administration were mitigated by the fact that the governor may appoint and remove board members or is himself ex officio member of a board appointed by himself.

#### Many Boards Remain

Licensing and examining boards to the number of eighteen remained outside regular departments, though in some cases their members are named by the governor. Similarly five regulatory boards (Boxing and Wrestling, Pilotage, Oil and Gas, Milk Control and Aviation) remained independent, as well as the Public Service Commission whose three members are elected by the people.

There are in addition twelve miscellaneous boards and commissions not readily placed under any clearly descriptive designation. A dozen boards of trustees for the state's educational, eleemosynary and correctional institutions enjoy independent status, with varying methods of appointment. Eight boards and commissions at present are inoperative though still provided by statute.

The Handbook of Alabama State Agencies, published by the Bureau of Public Administration at the state university in 1942, listed 101 separate agencies including the eight no longer operative. Of these only nine were under the governor's control.

The legislature of 1943 made few changes in the state administrative machinery, but one or two of these may indicate an attitude unfavorable to further integration. One act created a new State Markets Board in the office of the Department of Agriculture and Industries for the "inspection, grading, standardization"

<sup>&</sup>lt;sup>12</sup>No. 8, Alabama Laws, 1939 (extraordinary session); Nos. 275, 278, Alabama Laws, 1939 (regular session).

<sup>&</sup>lt;sup>18</sup>No. 12, Alabama Laws, 1939 (extraordinary session). The amendment also limited the regular session to 60 days and increased legislators' compensation from four to ten dollars per day.

and other foods. The board consists of the commissioner of agriculture and industries, who is paid \$50 a month for his services in connection with it, and four members appointed by the governor. The board is authorized to name a director at an annual salary not to exceed \$5,000.14

By another act a Division of Records and Reports was set up in the governor's office, with a small appropriation, to collect the reports of state agencies and handle information and news releases.

Still another measure created the Alabama Emergency Finance Corporation consisting of the governor as chairman and four other citizens named by him and removable after notice. The corporation has a capital of a million dollars and is empowered to relieve unemployment by making loans to any body politic for self-liquidating projects.

The State Defense Council set up by executive order in 1941 was given a statutory basis and organized with the governor as chairman, twelve citizens named by him, and a director of civilian defense who is paid \$5,000 a year. The Council is to go out of existence May 20, 1945, or at the end of the current war, whichever date is earlier.

#### **Backward Step**

But what may be a more serious

inroad upon the administrative structure was made by an act to create a Department of Labor. The Department of Industrial Relations created in 1939 absorbed the duties of the former Department of Labor and the effect of the act of 1943 is to undo, at least in some measure, the integration brought about in 1939. Specifically what the act does is to withdraw the function of mediation and arbitration from the jurisdiction of the Department of Industrial Relations and vest it in a new department headed by a director named by the governor and serving at his pleasure. Whatever may have been the motives of the governor in recommending and the legislature in passing this act, its effects can scarcely be other than unfortunate from the point of view of sound public management.

In summary, it must be said that while a hopeful beginning has been made towards an integrated administration in Alabama, the process is far from completed. After due allowance has been made for the strength of local traditions with respect to executive organization, there would seem to be great possibilities in the way of greater simplification of administrative machinery. Though constitutional revision would be needed to do a thorough job, a great deal could yet be accomplished by statute. The well developed tradition of executive leadership in policy leads the observer to believe that a vigorous governor, with a well prepared program looking in this direction. would be able to carry the legislature with him.

<sup>&</sup>lt;sup>14</sup>No. 32, Alabama Laws, 1943. This act carried an appropriation of \$300,000. No. 62 also appropriated \$75,000 for each of the fiscal years ending September 30, 1944 and 1945, for the study and teaching of marketing at the Alabama Polytechnic Institute.

# **AMG Takes Over War's Ruins**

Moving in with combat troops, Military Government men find many exciting adventures; problems include need to capture fighting Germans entrenched in farmhouse.

By LIEUTENANT JESSE L. WALDEN Headquarters, Army Air Forces

WHEN the Allied armies smashed into Naples—a city comparable to San Francisco in size and topography—they found a city whose economic heart had been completely paralyzed by a corps of 4,000 German demolition experts. These scientific vandals had worked a full month to add their bit to the woes of a Naples already ravaged by war. They did a complete job.

The non-residential parts of the city were in ruins, the city was without lights or electric power, telephone or air raid systems. Its sewers were clogged and overflowing into the streets. The people were suffering from thirst after the destruction of the water supply and all food had been stolen or exhausted. The port through which relief must come was demolished so that out of all its modern piers only one afforded berthing for even half a ship's length.

This was the Naples that confronted Brigadier General Frank J. Mc-Sherry, senior U. S. officer of the Allied Military Government, and his civil affairs officers when they entered the city on October 1, 1943.

On that day, when the Allied soldiery finally broke through the lines defending Naples, General McSherry's party, in two jeeps, raced past English tanks on the outskirts of the city to a building that corresponds

to an American city hall. The Mayor having fled, they were met by a man who called himself "Commissioner Extraordinary" and who formally tendered the surrender of the "ancient city of Naples."

This was the beginning of a long record of accomplishment. Within an hour AMG officials had Italian police on the streets and before noon had consulted with the remaining management of the city's utilities to determine the status of all public services and to initiate their repair.

The critical shortage of water was the most pressing problem. Thirst had to be satisfied. "Water points," standpipes that were filled with water by tank trucks and tapped by faucets, were set up and armed guards rationed water to each person. Within ten days the dynamited aqueducts had been repaired; in a month the supply was adequate.

Telephones operated on a partial basis in ten days; electricity for essential needs was available in a month; the port was repaired in ten days so that it handled tonnage equal to peacetime levels and triple that amount in six months. A major epidemic of typhus was stopped short—the first time in history this has been accomplished!

In the first month the three Italian police forces—Carabinieri, Finance Guards and Metropolitan Police—and the fire department were func-

EDITOR'S NOTE.—Reprinted from Western City.

tioning. Banks were open, food was supplied daily, fuel was at hand, the funicular railway operating, law courts in session and buildings were being repaired.

Recent reports show that many factories are in operation, including huge repair shops with heavy machinery whose bases were broken by hammers in the hands of demolitionists; non-ferrous foundries, cement plants, and steel mills are in production. There are also flour mills, tanning shops, shoe and clothing factories, and others manufacturing home supplies. In addition hundreds of one-family industries are making consumer goods.

#### **Typical Situation**

Volumes are required to describe fully the role of civil affairs officers in cities the size of Naples or Rome. The work of Lieutenant Colonel W. R. Irish and his staff, in the small Sicilian town of Gela, however, is typical and gives a clear picture, on a smaller scale of course.

Three American divisions, the 1st, 3rd and 45th, landed in Sicily on D-Day, each division accompanied by its complement of AMG officers under the command of Lieutenant Colonel Charles Poletti. Colonel Irish and his party of nine were attached to the 1st Division and went ashore with the invasion forces.

An official report of the first actions of Colonel Irish and his staff provides the following interesting report of their adventures:

"Lieutenant Colonel Irish and Lieutenant Asquini, an Italianspeaking American officer, landed on the beach at Gela on D-Day at 0700 (7 A.M.) under shell fire and proceeded to divisional headquarters about three-quarters of a mile from the beach. At 1400 (2 P.M.) he started for Gela in a jeep, entering the town about 1500. Considerable fighting was still going on in parts of the town and outside it, including a tank battle. He located himself in a building and called the acting Sindaco, the communal treasurer and communal engineer and the local representative of the Church together. Three times they attempted to hold a conference. Each time they were interrupted by an air raid. Fighting continued throughout the day and for two days thereafter.

"The Italian officials, in spite of difficulties, were cooperative but were thoroughly paralyzed by events and were unable to render much assistance.

"The chief problems with which Colonel Irish was faced in the first few days were as follows:

"a. There were 170 corpses to be buried, most of which were covered by rubble. They had to be dug loose. The populace refused to handle the bodies. Therefore, he used Italian prisoners of war and local donkey carts. There were no medical supplies and poor medical care for those suffering from tuberculosis, typhoid and scabies, which diseases were prevalent in the area.

"b. There was no water in the town because the pipes had been tampered with by civilian and military personnel. Irish got the communal engineer to work and in 36 hours the pipes were again operating.

"c. There was no power because the generating plant was put completely out of operation by bombing. With the exception of the electric plant, the town had not been seriously damaged by air attack. The electric situation continued to be unsatisfactory for some time.

"d. Bakeries were all shut down. These had to be started up with wood taken from the bombed houses. This was done on D plus 1.

"e. Gela was the main artery for bringing supplies into the troops. This situation necessarily complicated the problem of restoring normal life to the town.

"On D plus 1 Colonel Irish organized the Carabinieri.

"The Sindaco of the town, a prominent Fascist, had fled three days before the occupation, and a school teacher with no experience had taken his place. Colonel Irish was forced to remove the school teacher and secure a more competent official.

"He was flooded with small individual cases of extreme need and with a refugee problem. Here, as in other cases, the military called upon civil affairs officers for many things which they were not set up to handle through regular military channels.

"From the beginning he put it squarely up to the Italian officials that it was their job to take hold and to attend to all matters needing attention. They were to call upon him for help only when it was absolutely necessary. The looting and the food problems were not acute because he entered the town in time to seize the food stores and to organize the Carabinieri to prevent looting."

Lieutenant Colonel George H. Mc-Caffrey and his civil affairs officers had reported to the 3rd Division immediately preceding D-Day. Their beachhead was at Canicatti and Colonel McCaffrey's problems were similar to those at Gela, with the addition of food and looting problems. Certain of these looters were caught and on July 13 Colonel McCaffrey presided over the first Allied Military Court to be held in Sicily, trying three men accused of looting.

#### Functions in Battle Zones

Today AMG still functions in the battle zones. In the settled areas of Sicily and Southern Italy, however, the Allied Control Commission has been set up. It is supervising the new Italian government while it carries out the Armistice terms and continues with the rehabilitation of the country. Today, despite a geographically shattered economy, a bitter war still raging, great transportation shortages, and an apathy brought on by more than twenty years of Fascist rule, Italian industries and agriculture are being slowly redeemed. Italian education and labor are undergoing a rebirth, the economic system is being rebuilt and political freedom is emerging after a quarter century of Fascism.

There was never any intention to establish AMG in France, a nation with whom we have enjoyed a traditional friendship. Under the policy laid down by Supreme Headquarters, Allied Expeditionary Forces, control of civil administration remains with the local authorities. A group of French officers, however, selected by the French authorities, and attached to the civil affairs staffs and detachments, maintains liaison between the Army and the civil offi-

cials and population.

A regular army officer, who is a veteran of the campaigns of North Africa and Italy, is chief of the civil affairs section of the First Army. Corps and divisions also have civil affairs staffs whose duty is to plan and coordinate. Actual cooperations are the responsibility of civil affairs detachments.

Most civil affairs detachments now deployed in the U. S. zones consist of four officers and six enlisted men, with specialists officers—experts in such fields as public health, public welfare, transportation, police—are assigned to detachments from time to time to carry out assignments requiring specialists' attention.

#### Go In with Combat Troops

Civil affairs detachments ordinarily enter a town with, or immediately after, its liberation by combat troops. In many instances liberated towns have still been under enemy fire when the civil affairs detachment began its job of re-establishing local government and community service and assisting local authorities to maintain law and order.

Before invasion, or before arrival on the Continent, each detachment is given its assignment—a town, group of villages or an area. Detachment personnel thus have plenty of time to familiarize themselves with three objectives—the language of the people, their customs and the problems they are likely to face on beginning actual operations.

In the first two months after D-Day, when American civil affairs officers landed from gliders near Ste. Mere Eglise, some 40 civil affairs detachments handled approximately 30,000 refugees and assisted in reestablishing normal conditions in towns in France liberated by the advancing 1st U. S. Army.

An interesting sidelight is revealed in a dispatch received by the War Department shortly after D-Day. The dispatch stated that a six-man civil affairs detachment, traveling with invasion troops in Normandy, found its most pressing "civil affairs" problem consisted of a farmhouse full of fighting Germans. The detachment attacked with the arms available and captured the farmhouse, 65 Germans, two machine guns and a quantity of small arms, grenades and ammunition.

The dispatches were limited to the bare facts of the encounter, but the War Department pointed out that civil affairs detachments went into battle with combat troops, are trained in the use of weapons and that some of them landed with the airborne troops as an integral part of airborne divisions.

The responsibility for civil affairs is charged to the Combined Chiefs of Staff whose functions are the strategic conduct of the war. This staff established the Combined Civil Affairs Committee and delegated to it the broad policy involving all civil affairs, formulating plans concerning them and making recommendations to the Combined Chiefs of Staff. As this committee is equally divided between British and American members, its deliberations have reconciled viewpoints in the preliminary stages which might have otherwise impeded the progress of operations in the field.

United States civil affairs policies

are fully coordinated through the Joint Chiefs of Staff of the Armed Forces and constant consultation between the Civil Affairs Division of the War Department, the Occupied Areas Section of the Office of the Chief of Naval Operations and interested United States civilian agencies.

The Soviet Union is now actively participating with us in the Allied Control Commission and the Advisory Council for Italy. The European Advisory Commission, consisting of representatives of the United States, United Kingdom and Russia, is considering the terms of surrender for Germany.

Thus, in the final planning, the three Allies, in close touch with other United Nations, will have reconciled their views for the occupation of Germany and the administration of Germany's civil affairs.

# THE TAX LIMITATION DELUSION

(Continued from page 68)

would be no effective protest from the mass of people who would find themselves carrying a greater share of the tax burden than ever? There would surely be determined efforts by them to get tax relief themselves from the states as well as from the nation—with further danger to state and federal credit, stability and power to render full and effective public service.

Local government representatives are awakening to the dangers in the proposed amendment. They have felt

the throttling effect of local tax limits, in state statutes or constitutions, and they want no more of them, a least in constitutions. The American Municipal Association. representing the state leagues of municipalities, predicts that the amendment would force drastic inroads by the national government upon the revenue sources of the states and cities. The Municipal Finance Officers Association, in a statement dated August 26, 1944, stresses the need of opposing such an amendment, saying: "The limitation threatens the very existence of the national government. Its adoption would result in fiscal chaos. The war-created national debt would be difficult or impossible to pay, and intensive tax competition among states would result."

William Anderson, eminent political scientist, writing under the title "The United States: Limited or Unlimited?"5 warns that no nation in the world has limited its government as to the rate or amount of taxes. The framers of the constitution rejected such limitation for the nation. The people's conventions for ratification in the several states were aware of the tax provisions. Their conclusion, as expressed by Dr. Anderson, holds good today: "They knew that what Hamilton and other leaders said was right-that when the necescessities of a government cannot be calculated in advance its means for meeting those necessities must be left unlimited."

<sup>&</sup>lt;sup>5</sup>In Forum Pamphlet 3, supra.

# Contributors in Review

A TRIP to Alabama, where he taught at the University of Alabama during the summer session, is responsible for Lane W. Lancaster's story, Alabama State Reorganisation. Dr. Lancaster has been professor of political science at the University of Nebraska since 1930 and chairman of the department since 1939. He was formerly assistant and associate professor of history and government at Wesleyan University, Middletown, Connecticut. Professor Lancaster is author of articles and reviews appearing in the NATIONAL MUNICIPAL REVIEW and other journals in the field of government and of State Supervision of Municipal Indebtedness (1924) and Government in Rural America (1937).

READERS of the Review are familiar with the name of H. M. Olmsted (The Tax Limitation Delusion), one of its contributing editors since 1934. Mr. Olmsted has had a wide experience in the field of public utility regulation as consultant and as a member of the staffs of the Illinois Commerce Commission and the New York State Public Service Commission, with which he is now associated as hearing examiner. He was formerly associate editor of The American City. He is a graduate engineer and also a product of the Training School for Public Service of the former New York Bureau of Municipal Research, now the Institute of Public Administration.

F. J. Osborn (All-out Planning for Britain). Mr. Osborn is honorary secretary of the Town and Country Planning Association, a member of the Physical Reconstruction Panel of the Ministry of Works and Planning, and honorary treasurer of the Town Planning Summer School. He was city clerk, company secretary, housing manager and estate manager of Welwyn Garden City from 1919 to 1936; clerk and finance officer of that city from 1928 to 1931 and honorary editor of the Journal of Town Planning Institute from 1935 to 1937. His publications include New Towns After the War; Transport, Town Development and Industry; London's Dilemma; Overture to Planning; The Land and the Planning; Planning and the Countryside; Making Plans; and Housing, Planning and Full Employment.

IN ACTIVE service for the last three years, Lieutenant Jesse L. Walden (AMG Takes Over War's Ruins) is stationed at Headquarters, Army Air Forces, in Washington. He recently completed an officers training course at Miami, Florida. Lieutenant Walden is from Texas, a graduate of Texas A. & M. About twelve years ago he migrated to Los Angeles, starting his own advertising agency, The Walden Organization. The agency was eventually merged with Chester M. Wright & Associates, Inc., industrial relations counselors. In civilian life Lieutenant Walden was (and will be) vice president in charge of its Los Angeles and Dallas offices. He was also a member of the staff of Western City which first published the story on the work of AMG appearing in this issue.

# News in Review

City, State and Nation

Edited by H. M. Olmsted

# **Georgia Commission Drafts New Constitution**

Document Will Be Submitted for Legislature's approval

A FTER working for more than a year the Georgia Commission to Revise the State Constitution adopted on December 9, 1944, a final draft of a revised constitution for that state, ready for submission to the 1945 legislature.

If approved by the legislature the revised constitution will be submitted to the people of the state for ratification. The 25 members of the commission were variously appointed by the Governor, the presiding officers of the two legislative houses and the appellate courts and some were ex officio.

A list of major changes recommended by the Commission, arranged according to the various articles of the Constitution, is as follows:

Article I—Bill of Rights. All exemptions from taxation heretofore granted in corporation charters are null and void.

Article II—Elective Franchise. Qualifications of electors reduced to good character and ability to read and write (if not physically unable); payment of poll taxes still required; minimum age eighteen. Regulation of primaries omitted.

Article III—Legislative Department. List of senatorial districts omitted; meetings of General Assembly clarified so not forced to meet for 70 days; elected officers may accept appointive positions, if first resigning; local legislation must have copy of public notice attached; no local elective office may be abolished or term short-

<sup>1</sup>See "25 Study Georgia Basic Law," by Governor Ellis Arnall, NATIONAL MUNI-CIPAL REVIEW, January 1944, p. 11. ened unless submitted to referendum of people; per diem compensation increased to \$10.

Article IV—Public Utilities, Eminent Domain, Police Power, etc. Made to cover all public utilities; language revised

Article V—Executive Department. Governor's salary increased to \$12,000 (after 1946); limitation of governor to one term removed; governor to have no power to veto constitutional amendments; constitutional prison board created.

Article VI—Judiciary. Seven Supreme Court justices; Court must sit in a body, is administrative head of all state courts, has power to assign judges to relieve congestion in Superior Courts, and has rule-making power for practice and procedure, unless a judicial council is created by the legislature; one divorce decree to replace the present requirement of two; legislature can require jury service for women.

Article VII-Finance, Taxation and Public Debt. Public health added to purposes for which the state may tax, and restriction on taxation for education to elementary instruction only removed; administrative expenses added to purposes for which counties may tax; county homestead exemption not to apply to taxation for school purposes; two-thirds vote still required for approval of bonds, but the total vote at an election, rather than the total favorable vote, must be a majority of the registration; additional amount of bonds, above 7 per cent, up to 3 per cent (to be repaid in five years) may be voted; General Assembly empowered to create a bond commission to pass on bond refunding, and if refunding is approved it must be authorized by the local authority but popular vote not required; temporary loans authorized for counties; strict provisions to protect sinking funds for bonds; appropriation control

established; allocations abolished.
Article VIII—Education. State superintendent to be appointed by Board of Education; county superintendents to be elected or appointed, as desired by the people in the county; county-wide school systems to replace separate school districts (other than independent city systems); county boards of

education to set school tax rate, be-

tween five and fifteen mills.
Article XI—Counties and Municipal Corporations. No new counties except by consolidation; one-fifth of registered voters of any county sufficient to require election in that and other counties proposed to be consolidated; consolidation authorized if majority of qualified electors voting in each county approve; General Assembly may provide for optional systems of consolidated county and municipal governments to become effective when approved by a majority of voters.

Article XIII—Amendments.

amendments to be approved first by community affected, before being sub-

mitted to statewide vote.

Article XV-Home Rule. Home rule on purely local matters if city or county vote to come under this provision.

Minnesota Interim Committee Urges Administrative Changes

A report with recommendations was submitted to the Minnesota legislature in December by the Interim Committee on State Administration and Employment,1 consisting of five members of the House of Representatives.

Its first recommendation was the creation of a permanent legislative research body, composed of both Senate and House members, with an adequate staff to conduct studies as directed.

Administrative organization in Minnesota was criticized as involving too many departments, boards and commissions. Consolidation of all related activities in a few major departments was suggested, with greater concentration of responsibility in the governor. It was stated that boards, where necessary, should be advisory rather than administrative. Certain boards were justified because of their quasijudicial functions, although an administrative court was suggested to take over such functions for the civil service, workmen's compensation, old-age assistance, unemployment compensation and taxation departments, making it possible to operate each under a single administrative head.

Independent post-audit of the executive branch was recommended.

Consolidation of inspectional duties was recommended by shifting from certain departments to others the administration of laws that necessitate the use of inspectors.

The subject of considerable study was the system of ungraded rural schools, of which there were 6.617 in Minnesota in 1940, in 7,186 ungraded school districts, out of a total of 7,687 districts in the state. At that time only four states exceeded Minnesota in number of school districts. It was urged in the report that new enlarged districts be organized and that state aid to foster the continuation of small inefficient schools be restricted.

The interim committee, which includes powerful legislative leaders, is expected to push its recommendations in the legislature.

## Constitutional Changes Approved, Rejected in Idaho

adopted a constitutional amendment at the November election providing for extending the tenure of officers in the executive department from two to four years beginning with those elected in 1946. These include governor, lieutenant-governor, secretary of state, state treasurer, attorney-general, superintendent of public instruction and possibly state auditor (there is a question concerning the latter). The same amendment provided that the governor may not succeed himself. although he is eligible to hold the office again after a lapse of one full term. Many voters would have liked to have voted separately on these proposals.

In the same election the electors re-

<sup>&</sup>lt;sup>1</sup>See also "Minnesota Interim Committee a Legislative Council in Embryo,' the Review, May 1944, p. 251.

placed an ex officio Board of Equalization with a new State Tax Commission. The Commission, appointed by the governor and subject to the approval of the Senate, will assume the functions of the former board: that is. it will coordinate the work of the county boards (county commissioners) of equalization, equalizing the assessments of property throughout the state. and assessing certain classes of property, etc. In another amendment the voters approved adding villages and school districts to the list of areas of government whose property is already exempt from state taxation.

#### Prison Reforms Fail

In 1944, as in 1942, the Idaho legislature attempted to abolish the State Pardon Board and the State Board of Prison Commissioners in favor of a nonpartisan board to be known as the State Board of Correction; the governor was to be vested with pardoning power subject to limitations established by the legislature. The two existing bodies are ex officio boards consisting of the governor, the secretary of state and the attorney-general.

In the 1942 general election the electors approved a constitutional amendment giving the legislature power to create a nonpartisan State Board of Correction. But the voters failed to adopt two other amendments to destroy the two existing boards. Thus Idaho had retained the two constitutional agencies already in existence and had authorized the creation of a new one, charged with the responsibility of duplicating, at least in part, the activities of those already in existence.

The legislature decided to resubmit the two defeated amendments in 1944 and did not create the State Board of Correction, pending the results of the election. The voters, however, again defeated both amendments. Thus, the impasse created in 1942 continues. Many electors were unaware of the necessity of voting either for or against all three amendments. This experience demonstrates the need of ample explanation of the objectives and effects of proposed amendments. It would appear that the state should assume some responsibility in this matter. Either the attorney-general or the secretary of state should be authorized to explain the significance of such proposals to the electors.

BOYD A. MARTIN

University of Idaho

### Minnesota Poll Favors Unicameral Legislature

An unofficial poll survey recently conducted in Minnesota is reported in the Minneapolis Star-Journal of January 7 as showing 38 per cent of the people polled in favor of establishing a legislature of one chamber with a membership of about 50. Another 38 per cent had no opinion on the subject, and only 24 per cent were definitely opposed.

Minnesota's legislature is now one of the largest in the nation, with 131 members in the House of Representatives and 67 in the Senate.

## Council-Manager Plan News

Twenty-nine cities, towns and counties adopted the council-manager plan in 1944, and one city voted to abandon the plan, according to the International City Managers' Association, whose official list of council-manager communities stood at 621 at the end of the year. Adopting the plan by charter were fourteen communities in Maine: Brownsville, Dexter, Eagle Lake, Fort Kent, Frenchville, Haynesville, St. Agatha, St. Francis, Skowhegan, Staceyville, Stockholm, Van Buren, Vassalborc and Wallagrass; four in Oregon: Coos Bay (formerly Marshfield) with proportional representation for the council,

Eugene, Milwaukie and Nyssa; three in Michigan: East Lansing, Midland and Berkley; two in Missouri: Moberly and Neosho; and also College Station, Texas; Warwick County, Virginia; and Longueuil, Quebec. Three cities adopted the plan by ordinance: Ontario, California; Pottstown, Pennsylvania; and Georgetown, Texas.

Five communities that had adopted the plan in prior years were added to the Association's official list in 1944: Eastport, Maine: Guilford County. North Carolina: Niagara Falls, Ontario: and Isle Maligne and Hampstead, Quebec. Crystal, Island Falls and Mercer, Maine, were removed from the list because managers were not appointed. Hastings, Minnesota, voted to rescind its manager ordinance and Mason City, Iowa, voted to abandon the plan in April, 1945 (the 28th abandonment in 30 years). The net effect of these changes was an increase of 29 in the official list, bringing it to 621, of which 584 municipalities and nine counties are in the United States, 22 municipalities are in Canada, five in Ireland and one in Puerto Rico.

Seven cities and towns voted to retain the plan, at referenda in 1944: these were Ashtabula, Ohio; Rapid City, South Dakota; Bennington, Ludlow, Manchester and Northfield, Vermont; and Houston, Texas. Fifteen towns and cities and one county voted negatively on adoption of the plan: Hayward, California; Ottumwa, Iowa; Gray and Greenville, Maine; Battle Creek, Berkley (which voted to adopt later in 1944), Howell and River Rouge, Michigan; Salem, Oregon; Crockett, Orange and West University Place, Texas; Pulaski, Virginia; Pasco, Washington; Fairbanks, Alaska; and Montgomery County, Maryland.

Independence, Kansas, adopted the manager plan on January 23 by a vote of 882 to 584.

A petition to place the manager plan on the ballot has been declared sufficient in **Parsons**, **Kansas**. The election will be held February 20.

In **Houston**, **Texas**, the proposed charter amendment to abolish the city manager was overwhelmingly defeated on December 19, 7,541 to 1,898.

In Harriman, Tennessee, each member of the City Council appointed a citizen representative to a committee to study the manager plan. The committee rendered a report to the council, which reached no decision on it. Subsequently a Merchants' Association was formed the leading objective of which is to advance the manager plan. It is expected that a bill will be introduced in the legislature authorizing a referendum on the plan.

At a meeting early in December in Key West, Florida, the manager plan was explained and discussed and it was the sense of the meeting that the manager plan be established in Key West. Representatives of the civic organizations in the city were present. The Key West Citizen supports the plan.

In San Diego, California, various charter amendments have been under consideration, some of them following suggestions made by the late city manager, Walter W. Cooper, before his recent death in an airplane accident. One amendment to be submitted at the suggestion of Public Works Director Fred A. Rhodes, who is acting city manager, is for establishment of the position of assistant city manager outside the classified civil service.

County Commissioner J. Harold Sparkman has proposed the county manager plan for **King County** (Seattle), **Washington**. The proposal has met with the approval of various other county officials.

The city manager plan was adopted

in Nyssa, Oregon, by a vote of 80 to 10 at a special election in December.

The legislature of Maine has before it a town-manager charter drafted by Professor Orren C. Hormell of Bowdoin College for the town of **Fairfield**. It has received preliminary approval at a town meeting and it is hoped that legislative action will permit submission of the final charter to the town by February 15 and installation of the manager plan at the annual town meeting on March 5.

Belfast and Augusta, Maine, are also considering the manager plan.

An election on the council-manager plan will be held in Mt. Clemens, Michigan, on March 5.

A manager charter for **Howell**, **Michigan**, was defeated there in December.

The Benton Harbor (Michigan) News-Palladium editorially criticized former Mayor Emery for opposing a referendum on the question of a return to the council-manager plan formerly in effect there for seven years.

Interest in the manager plan is stirring in Decatur, Alabama; Hartford, Connecticut; Delaware City and Wilmington, Delaware; Alliance, Ohio; and Sheridan, Wyoming.

## Baltimore and Hartford Deal with Employee Unions

An ordinance permitting municipal employees to join unions, but prohibiting strikes, has been adopted by the City Council of Hartford, Connecticut, according to the Civil Service Assembly of the United States and Canada.

The Hartford action came a few days before the Baltimore, Maryland, Circuit Court, in a decision involving a labor contract between the city's Public Works Department and local No. 825 (AFL), recognized the right of municipal employees to organize and deal collectively. The Baltimore decision invalidated the contract because it

denied the Department the right to bargain with any other organization; but a new contract was signed two days later incorporating every provision of the invalidated contract except the one in question; thus the new contract permits any organization to bargain for or on behalf of its members.

The Hartford Street Commission voted last March to recognize the street employees union (AFL) and the new statute placed the action on an official municipal basis and extended the recognition to unions in the fire, police and education departments. Several months of public hearings and executive sessions of the ordinance committee preceded adoption of the ordinance.

The Hartford ordinance directed all departmental administrative heads to establish in their departments "effective machinery whereby grievances, complaints, problems or suggestions" may be presented by the organization. It prohibits discrimination against any employee who joins the union, and authorizes the mayor to intervene in a dispute between the union and any department of the city if he deems it desirable or necessary.

# Three State Leagues Foster Retirement Systems

Oregon, Washington and Minnesota Leagues of Municipalities have been particularly active in promoting sound statewide retirement systems for public employees.

An outline of a proposed retirement system for state and local employees has been prepared by a committee formed last summer at the suggestion of Fred C. Inkster, president of the League of Oregon Cities, as reported by Western City. Following actuarial studies that are under way a specific plan is to be presented to the 1945 legislature.

Because of experience with retirement legislation and administration in other parts of the country the committee felt that a plan covering all state and local employees would be the only sound financial method of providing a pension system for public employees in Oregon. The League therefore communicated with all groups preparing retirement bills for their members and invited them to cooperate in establishing a statewide system. These groups have formulated a plan which will be incorporated into a bill.

The Committee on Pensions of the League of Minnesota Municipalities has submitted a report on retirement systems and a proposed plan to public officials in that state. The committee recognizes difficulties in the way of a statewide plan, in view of present local systems and Minnesota's home-rule traditions, and invites a thoroughgoing discussion.

A committee of the Association of Washington Cities points out the advantages of a statewide plan, and has issued a report with many detailed recommendations.

## Civil Service League Reports on Veterans

Recognizing the problem of giving generous treatment to veterans without interfering unduly with efficiency and over-all fairness in public employment, a special Committee on Veteran Preference of the National Civil Service League issued a report on the subject January 15. The committee is headed by Robert L. Johnson, president of Temple University, with Albert S. Faught as secretary, and includes President Harold W. Dodds of Princeton University, Lieutenant George M. Ethridge, U.S.N.R., Rev. John Howard Melish, Director S. C. Simons of the Oakland (California) Community Chest, and four business executives.

The committee makes the following recommendations which it believes "would carry out the desire of many citizens to give a reasonable preference to veterans in civil service employment, safeguard the efficiency of our public services, maintain fairness to those already seeking careers in the service, and keep open the doors of opportunity to those now too young to take up arms in defense of our country."

The public interest makes imperative the maintenance of at least the present standards for entrance to the public service.

Veterans' preference should not apply beyond a period of five years after cessation of hostilities or five years after discharge of the veteran, whichever is

Experience gained in military service and training and education received through military agencies should be properly evaluated and rec-ognized in determining eligibility and in rating education and experience.

Preference should be confined to or-

iginal entrance.
All veterans should be required to obtain at least a passing mark in competitive tests before being entitled to any preferred status.

Preference should be granted in the form of credits to be added to earned ratings in examinations, with disabled veterans receiving no more than ten points and other veterans no more than five points to be added to their earned ratings.

Retention in the service in case of reduction in force or abolition of positions should be based for all employees solely on relative seniority and effi-

Civil service employees who, while in good standing in the civil service, left to engage in military service should be given credit for seniority purposes for time served in the military service. Those among them who became disabled in military service to such an extent that they may be unable to perform their previous duties should wherever possible be transferred to other positions in the service for which they may be fitted.

## Researcher's Digest

## Legislative Councils Report on Pensions, Schools

Housing Group Studies New York Population Densities

THE Maryland Legislative Council has issued four recent reports: Report to the General Assembly of 1945, Proposed Bills Submitted to the General Assembly of 1945, Pensions for County and Municipal Employees and Local Government—a Comparative Study.

The first contains a seventeen-page summary of the Council's recommendations to the General Assembly together with the minutes of the Council meetings; the second contains the text of bills recommended. Matters on which legislation is suggested include building and loan companies, conservation, complete revision of election laws, juvenile courts, local legislation, repeal of obsolete laws, pensions, public welfare, roads, veterans, workmen's compensation, etc.

The last two of the reports were prepared by the Research Division of the Council. One examines the various state and local pension systems in operation in Maryland and the employees not now covered by any system. Experience as to local government employees and pensions in a few selected states is given. The conclusion is reached that "most of Maryland's counties and municipalities have too few employees to consider establishing their own systems and this is the main argument for extending to them the facilities of the state system."

The fourth publication, Local Government, a Comparative Study, is the

result of a 1943 State Senate resolution requesting the Council to study the problem of local legislation with a view to giving more authority to county commissioners in order to eliminate trivial legislation and to have bills submitted making the purpose of the resolution effective. The volume includes a study of constitutional restrictions on local legislation in Maryland and other states, of statutory powers of counties in other states, and of proposals to expand county powers and to require public general laws in Maryland. The study discloses that 60 to 65 per cent of the bills introduced and passed by the state legislature of Maryland are local. The principal recommendations made are for a constitutional prohibition on local legislation on a number of specified subjects and for county self-government in these matters.

# Schools Investigated by Kansas Council

There are two new reports by the Research Department of the Kansas Legislative Council. The High School Problem discusses development of the Kansas high school system under various laws, the difficulties arising therefrom and a proposed bill for countywide high school support. It contains basic statistical and other information concerning the high schools. The proposed high school measure provides for a county levy and the distribution of county aid to the high schools of the county except in cities of over 15,000.

School District Reorganization is concerned principally with reorganization of small inadequate school districts. The reorganization experiences of other states is presented and the problem in Kansas is put forth. In the final section of the report questions for legislative consideration are propounded.

These include the advisability of strong one-teacher schools, natural community school districts having both elementary and high schools and an optional county unit plan.

# Auditoriums, Registration, Reporting Interest Seattle

The Municipal League of Seattle for Governmental Research has issued several interesting mimeographed studies. One is entitled "Civic Auditorium Revenues and Expenditures." While mainly concerned with an analysis of the situation in Seattle, the latter part of the report compares certain facts on auditoriums in a few selected cities replying to a special questionnaire.

A second release presents the results of a poll of 46 states on voting registration procedure, with specific application of the results of the poll to the state of Washington. The study is particularly concerned with the closing dates of registration.

"Planning for a Greater Metropolitan Seattle" contains a short section on planning in other cities and recommendations of the City-County Planning Committee of the Municipal League.

A release on "Better Annual Reporting of City Services" contains a description of present practices in Seattle together with a summary of some of the better report work of other cities.

## New York Housing Group Reports on Population Densities

Densities in New York City is a report to the Citizens' Housing Council of New York by the Committee on City Planning and Zoning, prepared under the direction of Henry S. Churchill by William H. Ludlow. It is a technical study of urban population densities in relation to city planning. The various parts of the study are measuring density, present densities, future densities, standards for adequate sunlight and daylight, suggested methods for obtaining adequate sunlight and daylight and recommendations for density and density controls. Many tables and charts are included and an appendix lists densities in other American and European cities.

Specific density recommendations are made for New York City. These are based on the conclusion that "the tendency of building high density apartments in the face of a diminishing rate of general expansion will have a blighting effect on many areas within the city resulting in depreciated values, a mounting tax burden on the remaining property holders and an unstable tax base."

### Michigan Study Covers State-Local Finance

Michigan State College Agricultural Experiment Station has published a study by Milton D. Dickerson on State Supervision of Local Taxation and Finance in Michigan. Various parts of the booklet are devoted to state supervision of local taxation, financial administration and indebtedness. One of the principal conclusions the author reaches is that "every local unit should be required to have a budget and an accounting system which accurately records the transactions taking place under that budget."

## Potpourri

Urbanism

The trend toward urbanization, the role of cities in our national life, and some of the problems of city life and government are outlined in a booklet, Cities in Society, published by the Bureau of Municipal Research of the University of Texas and written largely by Dr. Wilfred D. Webb.

#### Pension Systems

The New Haven Taxpayers Research Council has issued a report, New Haven's Pension Systems, which undertakes to provide a summary comparative statement of the legal provisions and current financial information on the five public employee pension funds in operation in the city of New Haven. Numerous tables and charts are included.

#### Police and Fire Personnel

Because the public has been evincing interest in the subject, the Providence Governmental Research Bureau has published data on the Providence Police and Fire Departments covering the period from January 1, 1941, to November 10, 1944. Figures presented include total uniformed personnel, separations including resignations, pensioned, deceased, discharged, in armed services; additions, promotions, etc. Both departments show a decrease in personnel.

#### Citizen Control

The Toronto Bureau of Municipal Research devotes two issues of its White Paper to bringing to the attention of voters the importance of their obligations in electing the 1945 city council and school boards. "Every voter has the right to participate in the (1) selection of candidates; (2) choice between candidates. Most people confine their civic activities—if they have any at all—to the second step," says the Bureau.

#### Tax Fund Distribution

The Des Moines Bureau of Municipal Research has invited representatives of all the larger cities in the state to a meeting to discuss a fairer distribution of state tax funds. Fifteen of the larger cities, with delegates of two to eight men each, were represented.

#### Highway Finance

The fact that the state closed its June 30, 1944, financial year with the largest surplus in its history, is cited by the New Orleans Bureau of Governmental Research as one of several reasons for its recommendation that no additional taxes be levied at this time. Other reasons are discussed in State Problems under the title "State Highway Financing."

#### Court Battle

The Supreme Court of Oklahoma has upheld the public's right to examine public records in a suit brought by the Oklahoma City Research Institute. The suit was filed by the Institute when the Oklahoma County Clerk refused permission to have auditors examine records in her office. The decision reversed that of the Oklahoma County Circuit Court upholding the Clerk.

### Postwar Population

What will be the population of Schenectady after the war? This is the question which the Schenectady Bureau of Municipal Research is trying to answer. Its January 11 Research Brevities, after a study of prewar and wartime population figures, comes to the conclusion that Schenectady County, including the city, may expect to have about 125,000 people living within its borders.

## County Government

In its annual summary of the year's work, published in Just a Moment, the Buffalo Research Bureau reminds its readers that it has opened a campaign against an Erie County government which is controlled by the votes of supervisors—town officers elected by their towns for the benefit of the towns. It is maintained that there should be a county board elected by districts

formed for the purpose, substantially equal in population, regardless of city, town or village lines.

In another issue of Just a Moment the Bureau comments favorably on a suggested consolidation of the offices of county comptroller and county auditor, endorsed editorially by the Buffalo Evening News.

"Facts-Our Chief Business"

Thus speaks President Frederick U. Conrad of the Hartford Governmental Research Institute, in an address before the organization's 1944 annual meeting. Mr. Conrad points to the accomplishments of the Institute during its six years of existence. "We have not deviated from the original principle implied by the name of the organization-research. Consistently we have made facts our chief businessapplying those facts constructively for the greater good of Hartford through an advisory committee of prominent citizens serving without pay. Services of the Institute are increasingly sought by public officials. As an organization we are steadfastly committed to the principle that public officials desiring to do a good job welcome assistance from citizen groups who know the facts."

Housing Problem in Reverse
The Los Angeles Bureau of Municipal Research raises a pertinent question: What will become of the housing built during war times around airplane factories? The number of new dwelling units built near five such centers is 116,123, accounting for 77 per cent of new housing in Los Angeles County since April 1940. "It is estimated that postwar payrolls of all airplane plants in the county will drop 90 per cent," says the Bureau. "This . . . will pose the problem of keeping these new houses occupied."

Citizen Action

Edited by Elsie S. Parker

## Springfield, Mass., Takes Lesson from Best Sellers

Thousands of Citizens Enjoy Streamlined Annual Report

FOR a city to publish an annual report is not news. But for a report to publicize a city—that is news. In its 1944 annual report, titled Our Home Town, Springfield, Massachusetts, not only created "consumer acceptance," but developed such a genuine "consumer demand" that thousands of citizens who never had taken the slightest interest in municipal affairs before, eagerly clamored for a copy—phoned in, wrote in, and called in person at city hall to sign a receipt for it.

One of the most vital developments was the use of Our Home Town in the Springfield school system. Seventeen hundred copies were requisitioned for classroom use in the civics classes of the high schools and in night schools and Americanization classes. The book ties in well with the so-called "Springfield Plan" of education for democratic citizenship, since it not only presents the details of city operation, but includes a section on how to register as a voter, how to become a candidate for public office, and a discussion of the mechanism of municipal government. Thus Our Home Town will serve as a textbook in civics on the municipal plane, filling a place that is badly needed since most of the attention in school courses on civics is usually devoted to state and national affairs.

The question arises at once, "How is it possible for a city to put out its report in such a form that it will be discussed, read with interest, kept for reference, and passed from hand to hand for additional reading? Can a report be a 'best seller'?"

The committee which was appointed by the Mayor and the City Council faced this question with the realization that the drab 400-odd-page compendium of small type and figures which had served in previous years would not fill the bill. The members of the committee, all either members of the city's legislative body or experienced public relations men, knew that the average man or woman simply does not have the time or energy to dig out facts and figures on city government, no matter how loudly he may criticize tax rates and administrative shortcomings. In fact it was a matter of record that the 300 copies of the annual report which were printed each year not only met all the needs of libraries, newspapers, government departments and public, but also, in large part, were unused at the year's end.

Therefore the new book, Our Home Town, was deliberately planned to make understanding of city government easy and inviting not only as to words but through attractive format, good typography, liberal use of pictures, and a human presentation of the material. Every microscopic detail need not be included since detail figures could be obtained by those interested at City Hall; the material used was that which was significant.

Our Home Town is in the popular "digest" size; an 88-page book, with two-color pen-and-ink cover design showing the view of the city and Connecticut River from the south. The back cover lists city services with phone numbers. The inside front cover is a table of contents.

The articles—they really are articles rather than dry reports, based on facts submitted by the various department heads—are presented in an exciting and

interesting manner, frequently leading off with some dramatic incident or punch paragraph and then introducing essential figures to bring out and demonstrate various points. Such headlines as "North End. South End. All Around the Town," "16 Ounces Make a Pound in Springfield," and "Young America-You Are the Hope of the World," highlight respectively the sections on the street department, weights and measures, and school system. All the way through the book are pictures (photos), human interest shots, no bare buildings, no portraits or groups of politicians. And for fact-minded citizens, the back part of the book contains a summary of financial figures.

Our Home Town was intended for free distribution, but only on specific request from a citizen. In other words, each recipient must show sufficient interest to ask for a copy or he does not get one. The question was, "How many citizens will take the trouble to ask?"

#### Report Publicized

In order to let the public know about the book, every means of showing it and telling about it was used. A window display in the largest stationery store in the city; counter displays for libraries, offices, city departments, factories; application cards to be mailed to the membership of various civic organizations: short talks by speakers before service clubs and other organizations; radio spots and plugs (time contributed by the stations or by local advertisers); and, of course, newspaper publicity, headed off by a feature article in the Sunday paper with extracts from Our Home Town, photos from the book, and a picture showing Mayor Albin Anderson receiving the first copy from Alderman Norman Fletcher.

The results were overwhelming. The originally authorized 5,000 copies were oversubscribed in three days. The city council passed a unanimous vote

of commendation to the committee, and authorized 5,000 more copies; but within two weeks it was necessary to again vote additional copies, this time 10,000, for a total of 20,000 books, in order to fill accumulated applications.

The enthusiasm with which the report has been received certainly proves that the citizen will take an intelligent interest in municipal matters provided only that city officials will take him into their confidence, strip the red tape from bureaucratic procedures, discard the stuffed shirt, step down from the pedestal, and give Mr. Taxpayer an honest story in language and form he is accustomed to reading—something he can understand and enjoy.

What the ultimate effects of Our Home Town will be no one can say as yet; but it is certain that Springfield is reaping a secondary "plus value" from the copies that have penetrated to other cities and to the boys in service. Certain it is, too, that the city will not go back to the old style 400-page reports of yesteryear.

JOHN MAGEE, JR., Editor-in-Chief Our Home Town

## Cincinnati Charter Committee Accepts Postwar Challenge

The recent anniversary dinner of the City Charter Committee of Cincinnati, commemorating its founding twenty years ago, served a two-fold purpose.

For the pioneers of the Charter movement the celebration served to recall the circumstances surrounding the Committee's successful fight in 1924—against apparently hopeless odds—to establish proportional representation, a small council and the council-manager plan.

The record of vastly improved and extended services, increased efficiency and reduced costs, heightened morale and reputation achieved in the intervening years lent in retrospect a glorious lustre to the steps taken in 1924.

For the men and women carrying the major part of the Committee's present activities, however, the record added up to something of a challenge to future action. The two principal speakers, Colonel C. O. Sherrill and C. A. Dykstra, president of the University of Wisconsin, city managers of Cincinnati from 1926 to 1944, gave form to the challenge.

Both Colonel Sherrill and Mr. Dykstra paid tribute to the Committee's accomplishments in inaugurating and developing conditions favorable to sound municipal government—but both foresaw real hurdles ahead.

Colonel Sherrill described the physical problems confronting the city: slum clearance and the reclamation of blighted areas, completion of the city's subway system, expansion of water supplies to meet the requirements of the entire metropolitan area in Hamilton County, comprehensive sewage disposal works, construction of new access roads to the northwest and southeast and further improvements in the city's General Hospital.

Mr. Dykstra stressed the city's social problems, particularly those arising from the growth of urbanism and the shift of emphasis from state-city to federal-city relationships.

"Cities face in a very special way," said Mr. Dykstra, "the great postwar challenge of employment for their citizens. Surplus labor in rural areas moves into the city, for the city is the home of industry and of the great services. When unemployment appears it is the city which first faces the great problem of relief.

"Moreover, with urbanism on the increase, cities are likely to look to Washington for the solution of their common problem. Thus the whole question of grants-in-aid to states and via state authority may be affected.

"Finally, it is becoming increasingly evident that as our population becomes more and more urban, it becomes the responsibility of the city to provide the satisfactions that are socially necessary in an industrial age."

The two managers were honored with citations of distinction, conferred by the City Charter Committee and presented by Murray Seasongood and Russell Wilson, former mayors.

The citation to Colonel Sherrill, presented by Mr. Seasongood, read, in part: "His incisive personality revitalized the community. His vigorous enterprise stamped itself upon the city's physical rebuilding. His high resolve marked the restoration to Cincinnatians of their rightful heritage of a government of integrity. His record forms a memorable page in the history of the Queen City."

The Dykstra award, presented by Mr. Wilson, read, in part: "He was a faithful and efficient administrator of the city's business. He was a wise and far-sighted guide in the years of economic distress. He was a decisive and reassuring commander in time of catastrophe from flood. His leadership and vision will not be forgotten."

FOREST FRANK, Executive Director Cincinnati City Charter Committee

# Preview of the 1945 Legislatures

Most of the state legislatures will hold regular sessions in 1945 and civic groups are training a weather eye on state capitals.

The Augusta (Georgia) Citizens Union has made a postal card poll of its members asking their opinions on five proposals for new legislation.

Greater Cleveland, published by the Citizens League of Cleveland, lists the members of the 96th Ohio General Assembly with the comment that "it has every opportunity to make a fine

legislative record." The League considers that "the General Assembly has been made up, in the main, of a body of sincere, industrious and patriotic citizens who have wanted to do the right thing. . . . Unfortunately, in a majority of the sessions, at least in the last twenty years, there have been so many restraints put upon the legislature by the rules of the two houses and so much interference injected by party leaders, that the results of the sessions have been far below what the people had the right to expect, both in the quantity and quality of the legislative product."

The League calls for the modernization of the legislature's procedure. "It is within the power of the two houses in their rules adopted at the opening of the session to speed up, by at least 50 per cent, the consideration of pending legislation." Changes in the rules are suggested, with the admonition: "When the 169 elected representatives of a great state like Ohio find that its state's rights are gradually being usurped by the federal government, then there should be some patriotic searching of the heart on the part of the members of the General Assembly."

"The 1945 Legislature Is Especially Important to Taxpayers" headlines a Bulletin of the Civic Federation of Chicago. The Federation will assign staff members to cover all sessions and all committee hearings on measures affecting taxes, finance and expenditures of Chicago governments. Its Bulletin lists the steps taken by bills from introduction to adoption and also the legislative stages at which citizen opinion may be effectively expressed.

"With bills already filed calling for expenditure of upward of \$500,000,000 the forthcoming session of the legislature promises to be the most important, and perhaps the most turbulent, in many years," remarks the Massachu-

setts Federation of Taxpayers Associations. Its publication, Taxtalk, discusses various proposals on which the legislature will be called to act.

The Nebraska Taxpayer comments on the "excellent personnel in the unicameral legislature" for 1945 and lists the matters on which legislation will probably be asked.

In a sympathetic vein the North Dakota Tanpayer editorializes: "Above all, if the legislator performs a good service and works for good government, efficiency and wise economy, commend him. Let him know that you approve of his action. Too many of us reserve our comment solely for critical purposes. Take pity on the legislator and do not harass him unduly. Give him constructive suggestions, but do not join in a pressure group unless you are familiar with the facts and circumstances and there is no question as to the merits of the cause you espouse."

## Here and There

"A Legislative Program for Philadelphia," suggested by the city's Committee of Seventy, includes a councilmanager plan charter, city-county consolidation, elimination of the Registration Commission and its merging with the County Board of Elections, and revision and simplification of laws governing the registration of voters and the conduct of elections. "There never was a better opportunity," says the Committee, "for the ordinary taxpayer who is tired of being pushed around to do a little pushing himself." It advises the voter to "work on your committeeman right away, talk to your state representative. Let them know that you are interested in the legisla-

New Charter for Philadelphia?

Manager Plan Evaluated Lowell, Massachusetts, has had a

tive reforms listed in this letter."

year of government under its new Plan E charter-council-manager plan with proportional representation. The Lowell Taxpayers Association states that "while it has not fulfilled the highest hopes of everyone during this short time it seems to have accomplished several steps on the road to better government." The steps listed include provision of adequate garage facilities for the city's mechanical equipment, opening of the Lincoln Street bridge to travel, inauguration of a definite drive to clean up the enormous tax title and tax possession holdings of the city. The new government reduced the number of city employees by leaving vacancies unfilled, improvements have been made in the budgetary process and the tax rate has been reduced. One important factor is that a more honest and healthy attitude toward their city government has been noticeable among both officials and citizens, the Association reports.

#### Constitutional Revision

The Constitutional Revision Committee of the Chicago City Club, through its chairman, Professor Kenneth C. Sears, has been keeping in touch with the Illinois League of Women Voters in its movement for a state constitutional convention. Professor Sears addressed one of the weekly luncheons of the Club on "Constitutional Revision and Postwar Progress in Illinois."

The Illinois League of Women Voters has published an "Open Letter to Our Servicemen" in which it asks for counsel. The letter states that there has been some objection to the League's work for a revision of the constitution on the ground that the state should wait until service men and women are home. But, the League points out in its letter, "even if there are no defeats, no setbacks, a revised

constitution would not be ready to submit for the voters' consideration before 1948 or 1949 at the earliest.... We sincerely believe that your best interests will be served by going ahead with revision as fast as possible and taking whatever risk there may be of your being back to vote on the proposed draft, but we should like to to know what you think."

A Missouri Committee for the New Constitution has been organized with headquarters in St. Louis. Jacob M. Lashly is chairman, Mrs. Frank E. Atwood, secretary. The Committee has issued a small folder which gives twenty "good reasons why you should vote for the proposed new state constitution." The leaflet lists a number of statewide citizen and professional groups which are supporting the constitution with the comment: "You travel in fine company when you support the new constitution." The document will be submitted to referendum on February 27.

#### Postwar Planning

The staff of the Municipal League of Toledo has been appointed by City Manager George N. Schoonmaker as secretariat for the city's Postwar Long Range Planning Committee. Under the direction of Ronald E. Gregg, the League's executive secretary, the staff's duties will be to aid coordination of the work being done by various official and civic groups, to expedite the preparation of a program of public works for the immediate postwar period, and to prepare a factual foundation for public opinion on an integrated postwar plan. The new setup will not conflict with or curtail activities of any of the 76 agencies engaged in planning but will encourage and speed up completion of plans.

#### Taxation and Finance

Edited by Wade S. Smith

# U. S. Supreme Court Upholds N. Y. Port Bond Tax Exemption

Refuses Review of Decision by Federal Court of Appeals

RECONVENING on January 2 after the holiday recess, the United States Supreme Court announced its denial of petitions filed by the Solicitor-General for writs of certiorari in the White and Shemberg cases.1 The court thus in effect affirmed the decision of the Federal Circuit Court of Appeals, which had earlier upheld a ruling of the United States Tax Court that interest on the bonds of the Port of New York Authority and the Triborough Bridge Authority is exempt from federal income taxation because under the statute the Authorities are political subdivisions of states.

The Court's refusal to grant the petitions of course ends the litigation in the cases, with the tax exemption feature of the bonds under existing federal law upheld. Announcement of the denial of the writs was followed immediately by advances in the prices at which the bonds of the Port Authority and Triborough Bridge Authority are traded on the market, and there was also a strengthening in price for obligations of other special districts. At the same time, the decision was widely hailed as ending permanently the efforts of the Treasury Department to tax income from presently tax-free state and local obligations, since the

<sup>&</sup>lt;sup>1</sup>See "Port Authority Tax Exemption Affirmed," the Review, October 1944, p. 493.

Congress has consistently refused to make such income taxable by amendment to the law. The only remaining approach is apparently through constitutional amendment.

It had been felt in some quarters that a decision adverse to the Authorities would open the way for taxation of income from all state and local obligations, but others have pointed out that such an expectation was rather too sweeping. The Authority bonds are not full faith and credit obligations in the manner of the bulk of state and local debt, but are limited obligations payable solely from the revenues of particular proprietary enterprises. The Treasury's case, indeed, seems to have been based primarily on this distinction.

An adverse decision, therefore, would have actually left untouched the status of full faith and credit obligations issued for purposes whose governmental nature could not reasonably be contested. Such a decision, however, would have thrown into confusion the tax status of an increasingly large volume of bonds issued for proprietary purposes, such as water works, electric light and gas plants, transportation systems, recreational and other public facilities for which admission, rental or other charges are made, and probably even for sewerage systems when such systems are financed with revenue bonds under the guise that the systems are "self-supporting."

The Supreme Court's action in upholding the lower court's decisions must therefore be regarded as having averted a chaotic situation not alone for the special governmental agencies of the authority type but also for all other governmental units which engage in proprietary or quasi-proprietary enterprises.

The court's decision is also important for another reason. In some quar-

ters there is a tendency to attempt to break local government up into little components, not only as to the political units concerned but as to the activities of the separate units, and to classify as "governmental" only the functions supported by or of direct benefit to real property. The government's case in the Port Authority litigation was essentially an attempt to enforce an attitude of this type, since the argument in effect held that if the people of a community built bridges and wharves and terminals and paid for them with property taxes, they were engaging in a governmental enterprise, while if they built the same facilities under an arrangement to make the facilities self-supporting from charges paid by the users, the enterprise was not governmental. The Tax Court and Court of Appeals turned thumbs down on this blurry conception of local government, and the Supreme Court has now refused to permit a reconsideration.

Whatever one's feeling as to the broad issue of tax exemption, the outcome of the Authority cases must be regarded as a victory for progressive local government.

# Prewar Local Borrowing Explored

Last month in this column a brief examination was made of the record of long-term borrowing by state and local governments since 1923 to see whether there was any precedent for borrowing as large a sum as five billion dollars or so for postwar state and local improvement programs. It was found that state and local borrowing for other than refunding and housing authority purposes exceeded one billion dollars annually from 1923 through 1931, but that since then there had been only four "billion dollar" years—1933, 1934, 1938 and 1940. Since 1940

TABLE I

Long-Term Borrowing By Borrowing Agency<sup>a</sup>

(Amounts in millions of dollars)

Year	City, Etc.	- State	· . County	School .	Other Districts <sup>b</sup>	2.35	Total
1930	\$646	\$221	\$224	\$140	\$93		\$1,372
1931	674	252	140	. 84	39	* 1.	1,251
1932	420	276	109	25	- 17		934
1933	542	377	78	20	. 66		1,127
1934	474	280	117	62	96		1,174
1935	522	267	148	66	188		1,182
1936	526	192	129	91	215		1,153
1937	424	169	124	86	174		977
1938	595	190	118	125	189		1,218
1939	592	241	87	78	97		1,095
1940	929	117	86	61	300		1,492
1941	528	354	117	70	158		1,210
1942	326	21	70	17	138		575
1943	. 229	. 29	38	23	189		506

a. Includes refunding bonds.

b. Includes local housing authority bonds.

TABLE II

LONG-TERM STATE AND LOCAL BORROWING, 1935-40
(Exclusive of Refunding and Housing)
(Amounts in millions of dollars)

Purpose of Loan	Total 1935-40	Annual Average	Peak (Year)
Total state and local	\$5,333	\$889	\$1,119 (1938)
Road and street improvement	638	106	168 (1938)
City utilities	1,004	167	470 (1940)
Sewer .	167	28	46 (1938)
School	533	89	184 (1938)
Emergency relief	443	74	131 (1935)
All other	2,548	425	546 (1938)

the volume of long-term borrowing has dwindled sharply because of wartime restrictions on construction and the postponement of all but the most essential improvements.

The figures quoted were those compiled by *The Daily Bond Buyer*, a New York financial journal whose records on the subject are most comprehensive. *The Daily Bond Buyer* has tabulated the borrowing also by borrowing unit, and these data show that on the average close to half the borrowing is done by the cities, towns, villages, and like units, with the states normally accounting for the second

largest portion. Table I summarizes long-term borrowing by borrowing agencies for the prewar decade and for the last four years reported. These figures, it should be noted, are inclusive of refunding bonds.

A considerable part of the amounts borrowed in some years came from federal agencies rather than directly from the public. Loans from the PWA and the RFC are included in the figures as follows (amounts in millions): 1932, \$130; 1933, \$484; 1934, \$288; 1935, \$79; 1936, \$56; 1937, \$109; 1938, \$148; 1939, \$58; 1940, \$14; 1941, \$161; 1942, \$14; and 1943, \$1.

For the period since 1934 it is possible to classify the long-term borrowing by the purpose of the issue, with refunding bonds excluded. For the six prewar years, 1935-40 inclusive, the average amount borrowed was \$888,-866,000 annually, but in 1938, the peak year for the period, the amount was \$1,118,904,000, and in 1940, \$1,047,660,-000 was borrowed. On the average, slightly more than half the borrowing went for road and street improvements, city utilities, sewers, schools and emergency relief, and slightly less than half for miscellaneous improvements, chiefly building of one sort or another. Table II summarizes the situation for the period.

It seems evident that if the weight of borrowing for postwar improvements is distributed as was the borrowing in the prewar period, a good half of it will fall to the city, town and village governments. At the same time it would seem that, among the city projects, those for sewer systems and sewerage disposal offer the best opportunities since it has been in this field that prewar borrowing has been lightest. But above all the data make it evident that the problem is one in which every level of local government is concerned.

### 78th Congress Starts Postwar Highway Program

Just before it adjourned, the 78th Congress enacted the bill to make available one and a half billion dollars for a nation-wide highway improvement program. The funds will be apportioned over a three-year period at the rate of \$500,000,000 a year, and must be matched by the individual states.

The more populous states will receive the largest apportionments, although mileage and areas, as well as population, are factors in the allocation.

## County and Township

Edited by Elwyn A. Mauck

# Manager Plan Brings Surplus to Hamilton County, Tenn.

Pay-as-you-go Public Works, Expansion Programs Planned

HAMILTON County, Tennessee, is highly pleased with results secured under its new manager plan charter, according to an article by Brainard Cooper in Better Roads. The county has a population of 190,000, and includes the city of Chattanooga.

The manager and council, operating "like a smooth working team," have refunded the debt with considerable saving in interest, combined positions and stopped the rise in the tax rate. They have transformed the county deficit into a surplus, and recently they invested \$300,000 of the surplus in war bonds.

Locally-elected squires—known elsewhere as justices of peace, with both judicial and administrative duties, formerly met four times a year in county court to transact all the county's business. This system was attacked first by the Civitan Club in 1930 because the county court had become a hotbed of petty political warfare and the squires were even worse in their individual capacities as dispensers of justice.

In 1940 a county delegation was elected to the state legislature on the issue of county reform, and the following year it secured a councilmanager law for the county. The members of the first council were placed in office by the state legislature and they also fell to bickering, but an outstanding council was elected by the voters in 1942. A leader of the reform

movement was Estes Kefauver, now Congressman from Tennessee.

Under the manager plan the squires were stripped of both judicial and administrative powers except for certain constitutional functions. They continue to meet in quarterly county court at which they fix the tax rate, but such rate is always that "recommended" by the County Council.

The County Council is composed of the county judge elected for a eightyear term and four councilmen elected for four-year terms. It selects the manager, adopts the budget, and performs the other functions of a county governing board.

The manager and the Council plan an extensive postwar public works program, to be financed on a pay-asyou-go basis. After the war they are preparing to welcome not only industry but also the tourists who wish to visit the scenic beauty of the county.

### Oregon Legislature Considers County Manager Plan

The Oregon state legislature, which convened on January 8, is considering the principles of the county manager plan as such principles might be embodied in permissive legislation for adoption by the counties of the state. The responsibility to enact such legislation has fallen upon the legislature as a result of the adoption by the voters last November of the county manager constitutional amendment as previously reported in this section.<sup>1</sup>

The Oregon League of Women Voters has been especially active in county government reform, and for the guidance of legislators and others it has issued a mimeographed pamphlet entitled Principles of Model County Manager Government.

### King County, Washington, Must Collect Rentals

King County (Seattle), Washington, which is the landlord for 237 tenants, recently was enjoined by a court decision from continuing its arrangement whereby a local real estate firm collected the rentals for a fee. The suit was brought by the Municipal League of Seattle which believed the public officials were fully competent to collect rents and that the net yield to the county would be greater as a result of the injunction.

Highest rentals include \$125 per month for a parking lot and \$200 per month for an industrial site. A few lots contain county-owned apartment houses, but other parcels draw rentals ranging downward to 42 cents per month. Some of the property is that which had reverted to the county for non-payment of taxes, but the remainder has been owned by the county in fee simple for many years.

# 1943 County Revenue and Debt Summary Issued

The United States Bureau of the Census has just issued a two-page Summary of County Government Revenue and Debt in 1943, prepared by Dr. Wylie Kilpatrick, county consultant. The summary reveals that revenue shrank only slightly more than one per cent from the preceding year, but that debt shrank over 8 percent.

The summary shows also that revenues from the various miscellaneous sources fell off much more rapidly than did revenue from the main source, property taxes. Aid received from other governmental units decreased more than 3 per cent. In half the states county debt decreased by more than 10 per cent, three states experienced a slight rise, and in the remaining states county debts shrank moderately.

A comparison with 1932 statistics re-

<sup>\*</sup>See "Oregon Voters Adopt County Manager Amendment," the Review, December 1944, p. 633. Official vote on the amendment was 175,716 to 154,504.

veals that although property tax revenues had increased only 1.4 per cent in the eleven-year period, total county revenues had increased 23 per cent. The increase was almost entirely the result of the growth of state grants-inaid to the counties. During the same period county debt shrank 29 per cent, resulting primarily from the curtailment of capital improvement programs. This divergence of trends in county debt and county revenue has resulted in 1943 in a situation in which counties account for one-fourth of all local government revenues but only 11 per cent of the local public debt.

The Summary of County Government Revenue and Debt in 1943 constitutes a preliminary report to County Finances: 1943, which will be issued later.

Cook County, Illinois, Makes Administrative Improvements

The Civic Federation of Chicago recently has expressed satisfaction regarding reorganization in the government of Cook County, Illinois. As especially noteworthy it listed the establishment of a Department of Purchase, a Department of Central Services, and a start toward the reorganization of maintenance services for county buildings and properties.

New York Studies
Town Improvement Districts

Town and County Topics, issued monthly by the Town and County Officers Training School of the State of New York, is publishing currently in serial form a description of the legal basis of town improvement districts of the state. Author of the analysis is Charles W. Potter, of the New York State Department of Audit and Control.

### County Officials in Kansas Seek Improvement

Among the resolutions recently adopted by the Kansas County Com-

missioners Association were recommendations that counties be permitted to own and operate airports singly or as joint county or city-county enterprises and that plans be developed to establish by law a public agency to cooperate with county officers in the study and improvement of county government.

# Wyoming Removes County Salary Freeze

Having seen during territorial days the evils of requiring county officers to procure part of their salaries from fees collected, the Wyoming Constitutional Convention of 1889 established fixed salaries in the state constitution. The range, based on assessed valuation and office, was from \$500 to \$2000, except for a few prosecuting attorneys. With rising costs and higher standards of living it has become increasingly difficult to get efficient officers.

The 1943 legislature, therefore, adopted an amendment delegating the power to fix county salaries to the legislature, to be voted upon in November 1944. Amendments to the constitution, by court interpretation, require a majority of the *total* vote cast, not of those cast on the amendment. Prevalent voter indifference to amendments often causes failure by default.

The Governor issued a statement favoring the amendment, clerks enclosed copies in county mail, a citizen wrote a widely copied newspaper article and speakers supported it before clubs. The result was that the amendment was ratified by a vote of 69,848 for, to 16,781 against out of a total vote cast at the election of 102,244.

The Governor is recommending in his message to the legislature a substantial increase in county salaries which doubtless will be approved.

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University of Wyoming

#### Local Affairs Abroad

Edited by Edward W. Weidner

# Liberated Areas Restore Local Governments

Early Elections Planned in France and Czechoslovakia

THE pattern of the re-establishment of free local government in Europe and Asia as countries are liberated or approach liberation is becoming apparent. Two of the most knotty problems temporarily exiled governments must face are the relation of local government to the resistance forces and its relation to those who collaborated with the enemy. There have been various solutions of these problems adopted by the several governments but the most common one seems to be the restoration to power, until new elections can be held, of those councillors and officials who held office before the war and who did not collaborate.

Other general patterns are an agreement with the military as to the relation between civil and military administration, the restoration of the free laws in force before the war and plans to hold elections as soon as possible—although in some cases this means a wait of a year or two. One of the main reasons for the delay in holding elections is the difficulty of compiling new registers of voters. Another is the fear that elections would disturb emergency administrations.

Because of the experience of the last four or five years local government is likely to be permanently modified in many cases. Trends toward decentralization are evident in Czechoslovakia and France. Metropolitan consolidation is a possibility in Belgium. And in at least two countries, France and Albania, women are being given the vote for the first time.

# Czechs Hold Elections in Liberated Areas

With the advance of the armies of liberation through Carpathian Russia and part of Slovakia, the pattern of restoring free local institutions in Czechoslovakia has emerged. As early as February 1944 plans for the day of liberation were well advanced. At that time Dr. Edvard Benes, president of the Czechoslovak Republic, outlined a plan whereby the organized underground could be used as the first government in freed territory. Local (including parish, village and town) and district national committees will be created "to carry out our struggle at home in the present phase of the war and to ensure a final transition to our new, free, national and fully democratic regime. . . . After the fall of the Nazi dictatorship these committees would constitute the first democratic machinery to exercise political and administrative authority." Provincial national committees for Carpathian Russia, Slovakia, Moravia and Bohemia are planned, and from these a temporary all-national assembly will be created.

The members of these committees will not number more than the respective municipal, district and provincial councils in preinvasion days. Immediately after liberation of an area the committee will supervise free elections for new national committees. Their other immediate duties will be to cooperate with the military, safeguard property, organize relief and appoint reliable local public officials. They will respect all preinvasion law, especially that dealing with democratic rights.

<sup>&</sup>lt;sup>1</sup>Czechoslovak Policy for Victory and Peace, Czechoslovak Ministry of Foreign Affairs Information Service, London, 1944, p. 43.

Czechoslovak government in London has appointed a delegate to supervise administration of the liberated territory which has been turned over to the Czechs by the Soviet army in accordance with an agreement between the two governments of May 8. 1944. Although a Slovakian National Committee was in existence at the time of liberation, together with a rather full development of local and district committees, no such organization was to be found in Carpathian Russia. In the first four weeks of liberation, however, local committees were formed in about two-thirds of the area under encouragement of the London government's delegate. Eventually, when a provincial national committee can be formed, the central government delegate will limit his activities to supervision in local administrative matters.

Finally, on November 24, 1944, the Czechoslovak Ministry of Foreign Affairs Information Service announced that elections for national committees had begun in all liberated districts of Carpathian Russia and Slovakia.

It is planned that a greatly decentralized republic be established after the war, with the four provinces strengthened in their powers.

# France Postpones Local Elections

Because of registration difficulties, local elections have been postponed in France until the end of April.<sup>2</sup> There has been much discussion over the six months residence requirement. Residence is to be proved by receipts for rent payment for the last two quarterly periods. Since those active in the resistance movement were frequently in hiding they would have a difficult time proving such residence. Although the central government refused to alter the

requirement, local registration officials have been instructed to use discretion. It has been unofficially suggested that local registration officials accept either rent receipts or proof of enlistment in a resistance organization as satisfactory evidence. The government has reaffirmed by ordinance that names of soldiers, war prisoners, refugees and deportees shall appear on the voting list of their legal place of residence as of September 1, 1939. If they so request, they will be permitted to vote in the commune to which they have transferred and established domicile.

All persons directly accused of aid to the enemy or Vichy are disqualified. The Minister of Justice has expressed the hope that the purge of those considered nationally unworthy would be completed by February. All those who voted in Parliament in 1940 to give full power to Marshal Petain have been barred from local office. Members of department (county) councils under Vichy are eligible for election if they served on such councils prior to June 1940.

The registration of women, who may vote for the first time, has been unexpectedly heavy. There has been some discussion of the degree of church influence over women's votes. In some discusse in France all nuns have been urged by church officials to vote.

The Communists have been unsuccessful in their attempt to have the resistance movement present a single ticket everywhere in the local elections. This does not prevent the unity of the resistance movement in the event of run-off elections. In many communities it is said to be likely that the Communists will be successful in

<sup>&</sup>lt;sup>2</sup>See National Municipal Review, December 1944, pp. 642-3.

<sup>\*</sup>Free France, French Press and Information Service, New York, December 15, 1944, pp. 492-3; see also New York Times of January 2 (p. 8) and 3 (p. 5), 1945.

their single-ticket drive.

A break with the French tradition of extreme centralization is indicated as a real possibility because of the events of the last four years, according to an editorial in Free France.<sup>4</sup> It is "unquestionable," it says, "that habits of decentralization were acquired by the French during the past four years and that they cannot fail to influence those whose task it will be to build a new France."

#### Paris Council Changed

The combined department-municipal council for Paris, consisting largely of the Parisian Committee of Liberation which was provided upon liberation of the capital, has been replaced by centrally-appointed separate department and municipal councils until elections are held. Before appointments to these bodies are made the cabinet is to confer with the Paris Committee of Liberation. The municipal council is to be composed of 85 members, 28 from the liberation committee and 57 representing the various arrondissements (districts) in Paris. The department council will number 133 members-the 85 members of the municipal council. 42 appointed from the cantons, and six representing the resistance organizations. Political parties are to nominate their choices and it is provided that members holding office on September 1, 1939, who have remained faithful to their duties, as well as members replacing those who have died for France, shall be nominated by the political parties to which they belonged. Recent political trends are to be taken into account in making appointments.

#### French Police under Vichy

A summary of the experience of the police forces under Vichy France, in-

<sup>4</sup>November 15, 1944, pp. 353-4. <sup>5</sup>Free France, November 15, 1944, pp. 373-4. cluding the special powers granted them and the complete central control of local police, is to be found in *Free* France, September 1 and 15, 1944, pp. 203-211.

Prewar Communal Councils Serve in Belgium

Free local government has been restored in liberated Belgium. The Belgian government has cancelled all Nazi appointments to local offices and reinstated prewar officials with prewar laws. If communal councils have a quorum of prewar members left-a simple majority—the vacancies are not to be filled until elections can be held. If a quorum is lacking the communal councils are to appoint enough to make a quorum until other prewar members return or until elections. Burgomasters in Belgium are generally appointed by the King upon recommendation of the Ministry of Interior, but actually the recommendation of the communal council is decisive. These officials will be appointed, if necessary, in the usual

No definite plans for holding local elections have been formed. Many months are likely to pass before such plans can be made. About a fourth of the electorate is in Germany as enforced laborers or prisoners.

During German occupation the areas of the principal metropolitan centers were consolidated for governmental purposes. In Brussels this arrangement is being kept until spring to facilitate readjustment. There were many advocates of consolidation before the war and it would be well to watch whether they now will be successful in getting parliamentary laws passed providing for it.

# Italy's Local Governments under Allied Commission

Since Italy was an enemy country in this war local self-government has

not been restored to as great an extent as in United Nations territory. Allied Military Government has first taken over the administration of Allied-held territory. The Carabinieri or local police are soon organized, essential public services restored and church and city officials called upon to aid in restoring order in the area.

Areas remote from the battle zones (Sicily and Southern Italy), including 36 provinces, have been placed under control of the Allied Commission which supervises the new Italian government. The various Italian political parties are in sharp disagreement over the policy of local elections. Those of the Left want immediate local elections in territory removed from military zones while the Center and Right want to have such elections wait until the complete liberation of the country. The communists have taken a stand favoring strengthened powers for provincial and communal committees of liberation.

Greater regional autonomy for such areas as Sicily and Sardinia has been promised by the Bonomi government, but it is determined to combat separatism.

Norwegian Government Plans with Help of Underground

The Norwegian government in London has extensive plans for reinstituting local self-government in Norway upon its liberation. Lists have been prepared in London with the assistance of the Norwegian underground giving data on the chairman of every communal council. Most of the prewar chairmen (who are elected by the communal councils) were removed by the Nazis because they refused to cooperate. Those few who have collaborated with the invaders will not retain their posts but all those loyal to

Norway will be reinvested in office together with all available members of the prewar communal councils who did not collaborate. Elections will not be possible for some time after liberation, but the Prime Minister has stated that they must be held as soon as "technically possible."

In general, the same system of local government as existed prior to the invasion is expected to be established. One change that might come—but not as a result of the war—is the lengthening of the terms of office of local councils from three to four years. In 1936 the term of members of Parliament was so lengthened and some observers believe it is merely a matter of time before local terms are similarly changed.

# Philippines Look Forward to Reconstruction

The first problem of government in any liberated territory is immediate relief for the people. The pattern of administration adopted on Leyte, Panaon and Samar was the early transfer of authority for the distribution of food. "Leading officials were chosen from each small settlement in the region with the title of tenientes barrios or village leaders. Each was required to certify how many refugee families came from his region and was permitted to draw food for that number. The distribution to individuals was placed in his hands."

President Osmena has said that, while as a result of conditions growing out of the Japanese occupation local elections would have to be held in some Philippine areas, in general the local governments would be prepared to play their part under independence. He has also promised that towns and

<sup>\*</sup>See also page 74, this issue.

<sup>&</sup>quot;See New York Times dispatches of November 12 and December 6, 1944.

cities which suffered severe damage will be reconstructed under a systematic and scientific town planning program.

### Democratic Election Law Planned for Poland

The London Polish government through its Vice-Premier has announced that it has drawn up plans for "well organized local government elections" on the basis of a "most democratic electoral law" which "will assure free and clean elections in a manner even better than the election law of August 1922."

Through its Ministry of Reconstruction the London Polish government has been studying local government in England with the cooperation of English local councils and the National Association of Local Government Officers. The Polish officials concerned are commissioned to prepare plans for a system of local government in Poland after its liberation.

#### Holland Prepares Temporary Local Government Measures

In an address by the Interior Minister of the Dutch government in August 1944 it was stated: "It is considered necessary, in view of the extraordinary conditions which will prevail in Holland at the time of liberation, that temporary measures be taken in respect to provincial and municipal government and to representative bodies of the state, provinces and municipalities." The principle is established that as soon as possible after liberation, that is, within the period of a special state of siege, provincial and municipal councils shall function and possess their old powers.

\*United Nations Review, September 15, 1944, p. 243.

### Community Welfare

Prepared by Federal Security Agency

# National Health Program a Postwar Aim

### Ample Hospital and Health Services Must Be Provided

NATIONAL health program that guarantees the best of health and medical care for the entire population should be a major postwar aim of the American people. Such a program should include adequate, inter-related and equitably distributed hospital and medical service, greatly expanded preventive services, sanitary facilities and control of mass diseases. It should be operated locally through grants-in-aid, and should be sufficiently diversified to meet the needs of individual states. It should be publicly supported through insurance, taxation, or a combination of both.

A number of major elements go into the making of a national health program. The first step must be application of all available knowledge on the prevention of disease in every community. This is important because attack has scarcely been begun on many of the causes of sickness and death which sap the nation's vitality. A national health program operating efficiently in every community of the land could bring about a great reduction in the volume of illness.

Of primary importance to the development of an adequate health program is the provision of a nation-wide system of integrated hospitals and health centers. Development of such a system to meet the estimated minimum need calls for a construction program which would provide 417,000 beds and 2,400 health centers during the ten-

<sup>&</sup>lt;sup>8</sup>United Nations Review, September 15, 1944, p. 249.

year period following the war. Estimated items and costs include:

100,000 new general hospital beds and 66,000 replacements at \$6,000 per bed \$996,000,000 94,000 new mental hospital beds and 97,000 replace-573,000,000 ments at \$3,000 per bed 44,000 new tuberculosis beds and 16,000 replacements at \$5,000 per bed 300,000,000 1.200 district health centers at \$70,000 each: 1,200 subcenters at \$30,000 each 120,000,000 Total estimated cost \$1.989,000,000

To render most effective service, the functions of each institution must be related to those of other institutions and to the needs of the whole area. The nucleus of such a system would be the regional base hospital around which medical, public health and hospital services would be grouped. The base hospital-a large teaching and research institution-would be the regional training, diagnostic and specialized treatment center.

District hospitals, somewhat smaller institutions providing less-specialized services, would function in areas radiating from the base hospital. Extending from these, but again related, would be the small rural hospitals and health centers. In some areas a combined hospital and health center would provide limited hospital care as well as public health services. All complicated cases, such as major surgery, would be referred routinely to the district or to the base hospital.

Since one of the major functions of the future hospital should be assistance to the physician in the practice of his profession, hospitals might provide physicians' offices in any of the institutions - base, 'district, rural or health center-including the use of all necessary equipment. The economy of

this plan and of the group consultation made possible would be particularly helpful in rural areas where the doctor too often is denied the facilities and services necessary to enable him to practice good medicine.

Hospitals, however, are only a part of a national health system. A program designed to provide equal opportunity for health would also include greatly expanded preventive services, sanitary facilities and control of mass diseases. It must provide well trained personnel in adequate numbers and adequately distributed throughout the country.

#### Continue Research

There are other important aspects also. Medical science is one of the most dynamic and rapidly developing sectors of science. Therefore, support of research to develop more effective methods for diagnosis and treatment must be continued and encouraged. Research must be concentrated on those diseases for which there are not now weapons of control.

A national health program of the great scope and magnitude necessary to meet the needs of the nation might best be effected on a decentralized basis, that is, through federal assistance to the states. Within the broad concept of the program each community could be given maximum opportunity to work out its own plan-with its own resources, with assistance from the state and with assistance from the federal government. Under this type of program federal aid would be given to the state and, through the state, to the community in proportion to the need.

The extraordinarily heavy costs of modern medical care fall unpredictably upon the family and unevenly upon the population. The risk could be lessened and even removed through prepayment on an insurance basis, through public

(Continued on p. 108)

# **Books in Review**

Lowering the Voting Age. Compiled by Julia E. Johnsen. New York, H. W. Wilson Company, 1944. 237 pp. \$1.25.

The H. W. Wilson Company has added another volume to the Reference Shelf series. Lowering the Voting Age contains the usual sections devoted to general discussion, affirmative discussion, negative discussion, summary of arguments, and bibliography. A rather full selection of articles is covered including excerpts from the writings and remarks of such men as President Franklin D. Roosevelt and Senator Harley R. Kilgore.

# Additional Books and Pamphlets

#### Budgets

A Practical Guide for Budget Making in Texas Cities. A Manual Designed to Stimulate Improved and Uniform Budgeting Through the Use of the Standard Classification of Revenue and Expenditures; also The Appraisal of Municipal Budgets (Supplement). By Bill N. Taylor. Austin 21, The League of Texas Municipalities, 1944. 58 and 6 pp. respectively.

A Preview of National Budgets for Full Employment "Model T". By Hans Christian Sonne. Washington, D. C., National Planning Association, 1944. 30 pp.

#### Congested Areas

An Avalanche Hits Richmond. A study of the impact of war production upon the City of Richmond, California, and an outline of measures necessary to provide the facilities for normal postwar community service. By J. A. McVittie. Richmond, California, The City Manager, 1944. 141 pp. illus.

Observations on the Sample Censuses in Ten Congested Production

Areas. By John Webb. Washington, D. C., Executive Office of the President, Committee for Congested Production Areas, 1944. 20 pp.

President's Committee for Congested Production Areas. Final Report. Washington, D. C., United States Government Printing Office, 1944. 37 pp.

#### Highways

Highway Research Board, Proceedings of the 23rd Annual Meeting, held at Chicago, November 27-30, 1943. Edited by Roy W. Crum and Fred Burggraf. Washington 25, D. C., Highway Research Board, 1944. x, 605 pp.

#### Housing

Housing Needs. A Preliminary Estimate. By National Housing Agency. Washington 25, D. C., Superintendent of Documents, 1944. 24 pp. 10 cents.

#### Liquor Control

State Alcoholic Beverage Monopoly Finances in 1943. Washington, D. C., U. S. Department of Commerce, Bureau of the Census, 1944. 6 pp.

### Municipal Officials

Directory of Tennessee Municipal Officials. Knoxville, University of Tennessee, The Governmental Reference Service, 1944. 49 pp.

#### Personnel

Better Use of Personnel. An Outline and Check List for Evaluating Federal Agency Employee Utilization Programs. Washington, D. C., United States Civil Service Commission, 1944. 14 pp.

#### Planning

Coastline Plans and Action for the Development of the Los Angeles Metropolitan Coastline. By Donald F. Griffin under the direction of Charles W. Eliot. Los Angeles, The Haynes Foundation, 1944. 38 pp. illus.

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#### **COMMUNITY WELFARE**

(Continued from page 105) taxes or through a combination of both. Broadened social insurance will advance national health by spreading the cost of illness and by insuring the wage earner some payments in lieu of wages when he is ill and unable to earn. But social insurance itself, no matter how complete, does not constitute a total health program. It is only part of it and contributory to it.

A great amount of public interest in all matters pertaining to health has taken place during the war, and it seems certain that demands for health care, following the cessation of hostilities, will be the greatest this country has ever known. Public health, which means the sum total of individual health, is of paramount public concern in modern society. Working together, the public and the professions can attain the democratic goal of an equal opportunity for health among all the people.